

By Mr. MAPES: A bill (H. R. 8922) granting a pension to William I. Allen; to the Committee on Pensions.

By Mr. O'CONNELL: A bill (H. R. 8923) granting an increase of pension to Lafayette A. Dennett; to the Committee on Pensions.

By Mr. OGDEN: A bill (H. R. 8924) granting an increase of pension to Mary O. Horton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8925) granting a pension to George Byrne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8926) granting an increase of pension to David R. Fenton; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 8927) granting a pension to Belinda J. Cox; to the Committee on Invalid Pensions.

By Mr. HENRY T. RAINEY: A bill (H. R. 8928) granting a pension to Carrie Howell; to the Committee on Invalid Pensions.

By Mr. REED of New York: A bill (H. R. 8929) granting an increase of pension to James L. Valley; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 8930) granting a pension to Ben B. Sell; to the Committee on Pensions.

By Mr. ROSE: A bill (H. R. 8931) for the relief of Victor Smith; to the Committee on Military Affairs.

Also, a bill (H. R. 8932) for the relief of Martin L. Cuppels; to the Committee on Military Affairs.

Also, a bill (H. R. 8933) for the relief of Susan C. Bott; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 8934) granting a pension to Martha P. Conklin; to the Committee on Invalid Pensions.

By Mr. THOMAS: A bill (H. R. 8935) granting an increase of pension to Fronie Fisher; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 8936) for the relief of William C. Brown; to the Committee on Military Affairs.

By Mr. WOOD of Indiana: A bill (H. R. 8937) granting an increase of pension to John H. Smith; to the Committee on Invalid Pensions.

By Mr. WOODS of Virginia: A bill (H. R. 8938) granting a pension to J. M. Fisher; to the Committee on Invalid Pensions.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ASHBROOK: Resolutions of the Newark (Ohio) molders' union, in favor of the retirement bill; to the Committee on the Post Office and Post Roads.

By Mr. CALDWELL: Petition in re repeal of tax on soft drinks and ice cream from residents of Astoria, Long Island, N. Y.; to the Committee on Ways and Means.

By Mr. CULLEN: Petition of Boston City Club, Boston, Mass., favoring the passage of the Mondell-Smoot bills; to the Committee on the Public Lands.

By Mr. CURRY of California: Resolutions by the Service Club of San Joaquin County, Calif., indorsing by the board of supervisors of that county in re immigration and naturalization of aliens; to the Committee on Immigration and Naturalization.

By Mr. EMERSON: Petition of the American Legion of New York City, in favor of law and order; to the Committee on the Judiciary.

By Mr. ESCH: Resolutions adopted by the Bible and Evangelistic Conference of the Methodist Episcopal Church South, Junaluska, N. C., urging the support of all plans to advance the chaplains in the Army the same as other branches; to the Committee on Military Affairs.

Also, petition of the board of governors of the Commercial Club and Chamber of Commerce of Salt Lake City, Utah, opposing the so-called packers' bills now pending in Congress; to the Committee on Agriculture.

By Mr. LINTHICUM: Petition of United Brotherhood of Carpenters and Joiners of Baltimore, Md., favoring the Plumb plan; to the Committee on Interstate and Foreign Commerce.

Also, petition of C. Phillip Pitt, of Baltimore, Md., protesting against the Plumb plan; to the Committee on Interstate and Foreign Commerce.

Also, petition of W. T. Chapman, of Baltimore, Md., favoring an increase in salaries of postal employees; to the Committee on the Post Office and Post Roads.

Also, petition of Mrs. J. T. Andrews and other citizens of Baltimore, Md., for the repeal of revenue bill H. R. 12863 of 1918; to the Committee on Ways and Means.

Also, petition of C. W. Doggett, of Baltimore, Md., favoring the passage of House bill 8537; to the Committee on the Post Office and Post Roads.

By Mr. LUFKIN: Resolutions adopted by branch 26, National Association of Letter Carriers, of Haverhill, Mass., in favor of an increase in the salaries of postal employees; to the Committee on the Post Office and Post Roads.

By Mr. McCLINTIC: Petitions of business men of Moorewood, Hess, Elmer, and Creta, Okla., asking that the Kenyon bill be enacted into law; to the Committee on Interstate and Foreign Commerce.

By Mr. MERRITT: Petition of sundry citizens of Danbury, Conn., favoring the repeal of the zone postal rates; to the Committee on the Post Office and Post Roads.

By Mr. MANN: Petition of sundry citizens of Chicago, Ill., favoring the repeal of section 907 of the revenue act; to the Committee on Ways and Means.

By Mr. NOLAN: Petition of the Merchants' Association of New York, favoring the passage of House bill 7597 providing for the creation of Federal home loan banks; to the Committee on Banking and Currency.

By Mr. O'CONNELL: Petition of the American Gear Manufacturers' Association, of Philadelphia, Pa., protesting against Government ownership or Government operation of railroads; to the Committee on Interstate and Foreign Commerce.

Also, petition of William J. Gokey & Co., Theodore A. Cranes Sons & Co., Ira S. Bushey & Sons (Inc.), Schuyler & Caddell, James Shewan & Sons (Inc.), Morse Dry Dock & Repair Co., all of New York, N. Y., protesting against H. R. 8422; to the Committee on the Merchant Marine and Fisheries.

Also, petition of the Associated Industries of Massachusetts, favoring the Mondell-Smoot bills; to the Committee on the Public Lands.

Also, petition of Associated Manufacturers and Merchants of New York, N. Y., protesting against Government ownership of railroads; to the Committee on Interstate and Foreign Commerce.

By Mr. PHELAN: Petition of H. E. Foster and others of Lynn, Mass., employees of the Postal Service, asking for an increase in salaries; to the Committee on the Post Office and Post Roads.

Also, petition of A. J. MacDonald and others, of Peabody, Mass., protesting against the passage of the Plumb-plan bill; to the Committee on Interstate and Foreign Commerce.

By Mr. RAKER: Petition of the Red River Lumber Co., Westwood, Calif., protesting against the Plumb plan for the nationalization of the railroads and urging the return of the railroads to their former owners; to the Committee on Interstate and Foreign Commerce.

Also, petition of Irving C. Tomlinson, Boston, Mass., protesting against House bill 2023 and the bills introduced by Senator SMITH and Representative TOWNER; to the Committee on Education.

Also, petition of the Brunswing Drug Co., of Los Angeles, Calif., protesting against the bill introduced by Representative SEGEL providing that manufacturers, wholesalers, and retailers shall mark upon the products they sell the actual cost price of such article; to the Committee on Agriculture.

By Mr. REBER: Petition of Mr. John Bubnis, Minersville, Pa., relative to the Lithuanian situation; to the Committee on Foreign Affairs.

#### SENATE.

SATURDAY, August 30, 1919.

(Legislative day of Saturday, August 23, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

#### LEAGUE OF NATIONS.

Mr. OWEN. Mr. President, on Tuesday, August 12 last, the honorable Senator from Massachusetts [Mr. Lodge], chairman of the Committee on Foreign Relations of the United States Senate, and the chosen leader of the majority party in this Chamber, delivered a very carefully prepared argument against the league of nations. The Senator from Massachusetts is recognized as a learned scholar and a very studious historian, and an argument which he delivers after the debate has proceeded for months may fairly be regarded as the ablest possible presentation of the case against the league of nations. If this argument can not stand an analysis, the case of the opposition to the covenant falls to the ground.

The honorable Senator lays down the first proposition:

That mankind from generation to generation is constantly repeating itself.

And says:

We have an excellent illustration of this fact in the proposed experiment now before us of making arrangements to secure the permanent peace of the world.



Thereupon he calls attention to the alluring promises made in the treaty of Paris of November 20, 1815, and the high purposes alleged in the treaty of the Holy Alliance, and shows historically that wars followed and not peace. He argued by necessary inference that these promises of peace and assurances of high purposes did not produce peace but war, and therefore that the declaration of purposes found in the present covenant of the league of nations would naturally be followed by war, because "mankind repeats itself."

The Senator quotes in derision the preamble to the covenant, and says:

Turn to the preamble of the covenant of the league of nations, now before us, which states the object of the league. It is formed—

"In order to promote international cooperation, to achieve international peace and security by the acceptance of obligations not to resort to war, by the prescription of open, just, and honorable relations between nations, by the firm establishment of the understandings of international laws as the actual rule of conduct among governments and by the maintenance of justice and a scrupulous respect for all treaty obligations in the dealings of organized peoples with one another."

The Senator then said:

No one would contest the loftiness or the benevolence of these purposes. *Brave words, indeed. They do not differ essentially from the preamble of the treaty of Paris (1815), from which sprang the Holy Alliance.*

In other words, Mr. President, the promises made by the treaty of the Holy Alliance having led to war, these promises will also lead to war, because "mankind repeats itself."

The obvious fallacy of this argument is that the alleged "purposes" of the Holy Alliance had nothing to do with the consequences which ensued from that alliance. War did not result from the virtuous promises made to the people by the Holy Alliance. The Holy Alliance made willfully deceitful and false promises of brotherly love and peace in order to deceive the people of Russia, Prussia, and Austria, and thus prevent them from going into a revolution, as the people had done in France under like conditions of tyranny and brute military power. The fact that wars followed the treaty of the Holy Alliance was because this treaty was between military dynasties, made by monarchial autocracies, each controlled by intrigue, by rival armaments, and by ambitious secret purposes. They were lined up against other similar governments at that time not greatly in advance of them in structure of government or in conception of liberty and popular rights. England, however, was becoming steadily more democratic, and soon withdrew from the treaty of Paris. France ultimately withdrew from the Holy Alliance. The cause of war was wrapped up in the treaty of the Holy Alliance of Russia, Austria, and Prussia because of their then several secret dynastic military ambitions. There was during that period no available or possible provision in the world providing for conciliation and arbitration in the settlement of international disputes. There was no means of promoting progressive disarmament, and the ambitions and the lust for power, unrestrained by law, unavoidably led to war as a necessary consequence. There was no adequate restraining power in all the world and no forum where the organized opinion and power of mankind could make itself effective for peace as there is available now.

The Senator from Massachusetts has shown himself unable to discriminate between the unavoidable consequences of war of governments based on tyranny and brute force, such as Russia, Prussia, and Austria, Bulgaria, and Turkey, and the consequences favorable to peace of governments based on the consent of the governed, on justice and liberty, such as the United States and Canada, the South American Republics, Australia, Great Britain, France, Belgium, and Italy. Such blind leadership might easily prove to be a national calamity.

The Senator from Massachusetts has failed to discover what every student of history ought to know who has a discerning mind and an intelligent comprehension, that the instability and wars of military dynasties had adequate causes, and that these causes rest in the "rule of the few," moved by intrigue, by gross human selfishness, by ambition and lust for the property of other people, leading them to develop great armies nominally for defense, but always secretly for offense, so well described by Von Bernhardi in his description of the Hohenzollerns and of Frederick II. Everybody seems to know this except the Senator from Massachusetts. The stability of Republics and their power for peace are not based on preambles, nor lofty promises of high purposes, as the Senator from Massachusetts seems to think. They are based upon sound principles affecting the structure of government, which go to guarantee justice and liberty and humanity and the organized righteous self-government of the people. These are the principles which

guarantee stability. These are the principles which not only promise but will make sure the peace of the world.

The Senator loosely argues that since "mankind repeats itself," and since the Holy Alliance made virtuous "promises" and war followed, therefore the virtuous promises of the present covenant of a league of free nations can mean nothing but war. The Senator argues from the false premise that the promises of the autocrats of the Holy Alliance were sincere. They were not sincere. They were wickedly false. I wondered, when the learned Senator was quoting the treaty of the Holy Alliance with its virtuous "promises," that he did not also quote the secret amendments to the treaty of the Holy Alliance of 1822, which disclose the infinitely wicked deceit of these promises—the secret treaty of Verona, in which the "holy alliance of liars" pledged their undying hostility to the democracies of the world and the freedom of the press. Since the Senator thinks it was the virtuous "promises" of the Holy Alliance that led to war, let me call his attention to their pledge to destroy the democracies of the world, and he will see, I trust, an abundant cause for war necessarily involved in the treaty of the Holy Alliance with its secret amendments at Verona, not because of their virtuous promises but in spite of them. Their secret purpose was war.

Listen to the philosophy and historical admonition of the secret treaty of Verona:

"The undersigned, specially authorized to make some additions to the treaty of the Holy Alliance, after having exchanged their respective credentials, have agreed as follows:

"Article 1. The high contracting powers being convinced that the system of representative government is equally as incompatible with the monarchial principles as the maxim of the sovereignty of the people with the divine right, engage mutually, in the most solemn manner, to use all their efforts to put an end to the system of representative governments, in whatever country it may exist in Europe, and to prevent its being introduced in those countries where it is not yet known.

You can only put an end to a government by war.

"Art. 2. As it can not be doubted that the liberty of the press is the most powerful means used by the pretended supporters of the rights of nations to the detriment of those of princes, the high contracting parties promise reciprocally to adopt all proper measures to suppress it, not only in their own States but also in the rest of Europe." (Vol. 53, pt. 7, p. 6781, 64th Cong., 1st sess., Apr. 25, 1916.)

The King of Prussia and the Emperor of Austria were the real autocratic monarchs behind this deadly compact to destroy the democracies of the world and establish "world power" for themselves and their allies as the military autocrats of mankind.

Here these military autocrats, who had offered themselves to the people of Europe as the servants of Christ and the guardians of the peace of Europe, were, in fact, secretly pledging themselves to murder unoffending people of other lands who had the temerity to believe in representative government and in the liberty of a free press. They instantly made war on the unoffending Spanish and Portuguese people and the innocent Italian people, and put them all under absolute monarchies, and would have done the same thing to the South American Republics but for Great Britain and the Monroe message.

Does the Senator from Massachusetts really believe that it was the virtuous "promises" of the Holy Alliance that led to war, or the "secret" purposes and ambitions of these military monarchial despots who were secretly plotting to rule the world by brute force? There is a vast difference, Mr. President, between the promises of an honest man or an honest government, of sincere well-meaning democracies, and the promises of trained liars, murderers, and self-seeking despots. And I feel fully justified in describing the Hohenzollerns and the Hapsburgs and the Romanoffs in these plain terms.

The Senator from Massachusetts believes that the promises of these royal scoundrels may be justly compared with the promises and aspirations of the honest organized democracies of the whole world basing an alliance not upon their pretenses of justice and liberty but upon the demonstrated fact that they are truly willing to die for liberty and justice.

The Senator from Massachusetts really believes in the rule of the representatives of the people over the people, in the rule of the few over the many. He would draw a wide distinction between "representative" government and government "by the people." He does not believe that the people of a State have a right to instruct or control their elected representatives or to



initiate and pass the laws that they want or to veto laws they do not want. *He thinks that for the people to express their opinion upon a public question is dangerous to the principle of constitutional government.*

Am I hasty in making this charge against the leader of the Republican Party in the Senate? I most certainly am not. The Senator from Massachusetts may have forgotten, but I have not forgotten, his famous speech in Boston on September 15, 1907, for I had been but two days in the Senate when, on December 18, 1907, Senator Hale, of Maine, had printed 20,000 copies of this famous speech of the Senator from Massachusetts as Senate Document 114, Sixtieth Congress, first session. This speech was delivered in opposition to a bill then pending in the Massachusetts Legislature, known as the "public-opinion bill." The "public-opinion bill" proposed to permit the people of Massachusetts the astounding liberty of expressing their opinion upon a public measure, but not exceeding four measures in any one year. This bill Senator Lodge violently opposed on the ground that it would overthrow the constitution of Massachusetts and destroy representative government. I shall not challenge the Senator's integrity of mind or his integrity of purpose in making this speech. I shall assume that he honestly believed that the opinion of the people was dangerous to constitutional government. At all events, this was his argument.

Twenty thousand copies of his speech were sent into Maine in order to defeat a campaign then pending for the initiative and referendum in that State.

The Senator said in criticizing the public-opinion bill that it—*would mean nothing less than a complete revolution in the fabric of our Government and in the fundamental principles upon which the Government rests.*

That it—

*would undermine and ultimately break down the representative principles in our political and governmental system.*

With the assistance of Kingsbury B. Piper, secretary of the State Referendum League of Maine, I prepared and had printed as a memorial to Congress the answer of the State Referendum League of Maine to the Senator from Massachusetts (Senate Document 521, 60th Cong., 1st sess.). I caused 20,000 copies to be printed and I franked them to Maine, and when the people of Maine came to pass upon the validity of the argument of the Senator from Massachusetts that *the people should have no right to express their opinions on public questions*, either by public-opinion statute or by the initiative and referendum, they decided against the argument of the learned Senator from Massachusetts, and the honorable Senator from Maine who circulated the famous Boston speech against the public-opinion bill did not find it desirable to stand for reelection.

In the State of Massachusetts, in the last election, when the people were selecting their delegates to a constitutional congress, there was a campaign in behalf of the initiative and referendum. I had prepared by the National Popular Government League, by Judson King, secretary, an argument for this great measure of popular government, and caused it to be printed as Senate Document 763, Sixty-fourth Congress, second session, which was used in the Massachusetts campaign in favor of the initiative and referendum. An overwhelming majority of the delegates who had favored it were elected, and even the president of Harvard, who opposed it, was defeated. Senator Weeks opposed it, and he was defeated, and Senator WALSH, who favored it, was elected and is now present in the Senate.

I commend the judgment of the people of Maine and Massachusetts to the considerate judgment of the honorable Senator from Massachusetts. His leadership against popular government has failed both in Maine and in the great Commonwealth of Massachusetts.

The Senator from Massachusetts does not believe in the wisdom of the people. He does not believe that the people have the intelligence to initiate laws they do want or to veto laws they do not want, and therefore he does not have any great degree of confidence in the stability of a league of the great democracies of the world or their ability to make sure their own peace. He looks upon them with less confidence than he did upon the military autocracies that framed the treaty of the Holy Alliance, for the Senator favored a league in 1915, when the autocracies were in full flower.

I am devoutly thankful that there are hundreds of thousands and millions of Republicans in the United States who do not agree with the Senator from Massachusetts in this view, and that there are on this floor splendid Republican Senators who do believe in popular government and in the right of the people to govern and who have confidence in democracies.

And I pause to say, Mr. President, that those who believe in popular government are deeply desirous of having passed

through the Senate a thoroughgoing corrupt-practices act, and I appeal to the Senator from Massachusetts to give his support to such a bill in order that the "representative system" of selecting Senators and Congressmen may not be perverted by the corrupt and sinister influences that by money and fraud are able unduly to influence the nomination and election of Congressmen and Senators. For six years the progressive Senators on this floor have been trying to get a thoroughgoing corrupt-practices act, but have not been able as yet to do so. Why? I will leave to those who opposed it and to those who do not favor it and to those who secretly throw the weight of their influence against it to answer that question before the end of the next session of Congress.

The Senator's whole argument is based upon his inability to perceive the difference between the relative trustworthiness of democracies and autocracies, and in his violent assaults upon the league he tries to show that we ought to have no league of nations at all. He goes so far as to denounce the banner of the proposed league of nations, of the free nations of the earth, of our wonderful Allies, of our heroic Allies, who died for liberty and justice and civilization, as a "mongrel" banner, and he attaches to the league of nations the unmerited stigma of "Bolshevism" as illustrating wicked "internationalism" as contrasted with his own admirable "Americanism."

Mr. President, all good Americans believe in Americanism in its highest and purest and truest meaning.

Mr. President, a man can be a good citizen of a town, of a county, of a state, of a nation, and of a world without inconsistency. He can love his home, and be utterly devoted to his own nation, and be a glorious American, and yet be generously disposed and favor international justice and liberty and good neighborhood, and the means of attaining them.

The galleries always applaud when a Senator strikes an oratorical pose and thunders forth his sturdy Americanism, and the Senator from Massachusetts did not fail to strike this popular chord. The Senator gloriously said:

*Call me selfish if you will, conservative, or reactionary; but an American I have remained all my life. I can never be anything else but an American, and I must think of the United States first.*

Fine! This is magnificent. The galleries burst with applause; but, Mr. President, in June, 1915, at Union College, the Senator was still an American, whether "selfish, conservative, or reactionary," and he told the world then in language clear and forceful—and I use his own words—that—

*Nations must unite as men unite to preserve peace and order.*

He stated that nations must be so united as to be able to say to any single country—

*You must not go to war.*

Fine! This is splendid, but a flat contradiction of his present attitude that nations must *not* unite to preserve peace and order, that they must *not* be so united as to say to any single country "You must not go to war."

The Senator's Americanism at Union College did not prevent his making an earnest argument in favor of a league of nations, and when he made the argument in favor of a league at Union College it was fine Americanism. It was fine Americanism when Theodore Roosevelt made the same argument in receiving the Nobel prize at Christiania in 1910. President Taft shows his fine Americanism when he loves America and loves his fellow men throughout the world and stands for a program of assured peace through the honest cooperation of all the great democracies of earth.

It is fine Americanism when the Senator from North Dakota [Mr. McCUMBER] and other patriotic Republicans and Democrats stand on this floor and urge a league of free nations.

The Senator from Massachusetts must not attempt to monopolize Americanism, for selfishness and partisanship in foreign affairs do not describe Americanism.

When Germany and Austria and Bulgaria and Turkey, the great military dynasties, were at the height of their power the Senator from Massachusetts argued in favor of nations uniting to prevent war. He was willing to admit military dynasties to a league of nations to prevent war, but now that the military dynasties have been humbled to the dust, now that brute force based on the doctrine that might makes right has been utterly overthrown by the honest peace-loving democracies of the world, the Senator rises up as the chief opponent of what he himself generously argued as a good American in 1915.

Mr. President, am I going too far if I appeal from "Philip drunk to Philip sober"?

The one great gigantic fact of all history has occurred to assure and make possible the future peace of the world and to make it comparatively easy to establish peace, and that is the



overthrow of arbitrary power, the overthrow of the Hohenzollerns, the Hapsburgs, the Romanoffs, and their brood of princes, grand dukes, et id genus omne, and the establishment of the great doctrines of liberty, justice, and self-government and the establishment of the overwhelming power of the democracies of the world.

The Senator from Massachusetts fails to recognize the one great event which makes this war the most notable war of all history and which alone opens wide the door to permanent world peace.

The Senator from Massachusetts having argued that it was un-American to recognize this "mongrel" flag of the free nations of earth, proceeds, absurdly enough, to argue that he and his colleagues will accept the "mongrel" flag and all its evils provided reservations be inserted in the ratification, which do not really change the meaning of it, but would prevent any friendly ally in the future from changing the meaning of it.

The Senator does not recognize any difference between the legal and moral obligations of the league. He says treaty obligations are merely moral obligations, and with this view I am in entire accord. But, Mr. President, an interpretative resolution separate from the resolution of ratification of the treaty, interpreting the meaning of the covenant, would protect the United States from the possibility of any future charge of moral delinquency by any nation on earth, and prevent any nations, friendly or otherwise, from charging that the United States refused to do what it agreed to do. The only difference between the effect of a resolution separate and apart as an interpretation and an amendment or reservation in the face of the ratifying resolution is that the latter would require the action of all other nations, might produce serious confusion, would certainly postpone final action for some months at a time when prompt action in declaring peace is of the highest importance, while a resolution of interpretation would avoid these obvious objections. There is one possible *partisan* advantage in putting amendments and reservations on the proposed league. It might to that extent discredit with some of our own people and with those of foreign countries the President of the United States and the members of the peace conference who represented the United States at Paris.

Is it un-American if I should feel unwilling to discredit our representatives, either at home or abroad, unnecessarily? The delay in ratifying the peace treaty is paralyzing our export trade. Our favorable balance of trade fell off \$400,000,000 in the month of July in 31 days. Our foreign-exchange market has gone into complete demoralization awaiting the determination of the conditions of peace.

We hear no proposal from Great Britain or France or Italy or Belgium or Japan for putting amendments into this proposed league. They do not have any fear that the friendly nations of the earth, based on self-government, liberty, and justice, will misinterpret the covenant to their disadvantage. None of them have imagined that they were relinquishing their rights of self-government or subjecting themselves to the coercion of a league of foreign nations. On the contrary, they wrote into the league section 10 for the protection of the territorial integrity and existing political independence of every nation. This covenant was drawn up by the ablest men in the world—if the Senator from Massachusetts will pardon the apparent neglect—chosen men representing all of the great nations. It was subjected to the closest scrutiny. It carries out and makes possible the aspirations of The Hague conventions, with the addition of methods for conciliation and arbitration and disarmament and means for protecting the territorial integrity and existing political independence of nations by boycott, blockade, and even armed force, which will assuredly rarely, if by any possibility ever, be necessary.

This should not be made a partisan question. The Senator from Massachusetts taught me the sound doctrine in one of the great maxims of the United States Senate, which has been honored for a hundred years, and that is—

Party lines cease at tide water.

Is it un-American if I appeal to the honorable Senator to sustain this venerable and worthy maxim of the Senate? Why does he, before the treaty arrives, sign his round robin? Why does he marshal his political followers as far as he can in hostility to the aspirations of mankind? The world is weary, utterly weary, of war. The industries, the commerce of the whole world, have been profoundly shaken by the gigantic destruction and waste of this war.

The cost of living because of this Great War has become painful and irksome to the people of the whole world. It is of the most urgent importance that we get back to the

basis of peace, in order that we may address ourselves to solving the problem of the high cost of living in this country, which is greatly perplexing to the Congress as well as the people at home.

The unhappy people of Europe are struggling to reestablish themselves. Millions of men, women, and children have died in this great struggle to establish on earth human liberty and the right of the people of the earth to self-government. Side by side in the hills and in the valleys of France lie thousands of our beloved sons with the cherished youth of Great Britain, Belgium, France, Italy, and of our other Allies. They died in a war whose great purpose was to overthrow arbitrary power, to establish government upon a sound basis of the consent of the governed, to establish forever "peace on earth, good will toward men." Surely it is not un-American that we should desire that their infinite sacrifice should not be in vain. Honest democracies do not want war, nor the cost of war, nor to have their children die in battle. The people who pay the cost of the war, who send their sons to die upon the battle field, who pay the taxes of war, and control democracies will not permit war that can possibly be avoided.

Perhaps without a league the future peace of the world might be accomplished, but a league of free nations of the earth, established with the power to say to outlaw nations "You must not go to war," as the Senator from Massachusetts so finely argued in June, 1915, at Union College, will secure and make certain the ends for which the youth of the world was sent to the battle fields to die.

May I not be permitted to appeal to the better Americanism of the Senator from Massachusetts not to throw himself across the path of human progress and world peace? He is not (as he thinks) waging a war against Woodrow Wilson; he is waging a war against the desires and the hopes of all mankind.

We have joined the sons of France, Great Britain, and Italy and our other great allies in breaking down the military autocracies of Europe. Are we not in honor bound to stand by our allies until the new governments, the new democracies of Europe, are established and made stable by the stabilizing force of the organized powers of mankind that league to preserve peace?

Shall we scuttle like cowards and cravens from the wounded peoples of Europe before the nations born of this war can balance themselves and be at peace and a blessing to themselves and to the world when with the league of the great democracies we can easily assure them stability and peace?

Is it un-American to carry out our implied obligations to Europe?

Mr. President, the honorable Senator from Massachusetts interprets article 10 to mean that the council in *advising* the means to be employed to preserve the territorial integrity and the existing political independence of member nations will be authorized to send American troops to the ends of the earth in every petty quarrel that might arise anywhere in the world.

The Senator urges that we would have a "moral" obligation to take the advice, and the "moral" obligation being as strong as a legal obligation we would be obliged to obey or be guilty of a breach of our moral obligations, a thing absolutely inconceivable to the austere Senator from Massachusetts.

The Senator greatly enlarges upon this great, unhappy thought and in his imagination he sees our soldiers sent into central Arabia to protect the Sultan of Hejaz under the irresistible advice of the council.

Mr. President, with the establishment of a league of nations, with the great democracies of the world in honest cooperation, there are many provisions which will prevent war or the need of soldiers.

For example:

Every means possible for conciliation.

Every means for arbitration, and at last if a nation be determined to be an outlaw nation in violation of the organized opinion of mankind, and then invades the territorial integrity of a member nation and its existing political independence, there is a penalty so gigantic that no nation would dare to face it; that is, a world boycott, a complete separation of that outlaw nation and of its nationals from any commercial, financial, postal, telegraphic, or any other means of communication with the citizens of other nations.

No nation could stand this. But this is not all. It is only on the extremely remote if not impossible contingency that this would not suffice to restore an outlaw nation to sanity, then and then only would it be necessary for the council to "advise" means of military and naval coercion.

It is to be assumed by men of common sense and common honesty that the council in such a remote contingency would give



sensible and honest advice and that the great, honest, peace-loving democracies of the earth would act in good faith in regard to the advice.

If in the extremely remote contingency which might thus arise the still more unlikely occurrence should take place that the advice should prove foolish or tyrannical, no nation would be compelled as a "moral" obligation to observe idiotic advice.

The Senator from Massachusetts is unduly alarmed. He is seeing ghosts which do not exist.

Article 10, pledging every member nation its territorial integrity and existing political independence, is vital to the peace of the world, and under no circumstances should this assurance be removed from the treaty or modified.

The Senator finds an insuperable difficulty in article 15 because it provides that any dispute may be submitted to the council, and the council might submit it to the assembly, and the assembly might make a "report" unfavorable to the United States, and the dispute might be on the question of immigration with Japan. Terrible! The answer is, first, that no such dispute could arise, because it would be an invasion of our existing political independence and territorial integrity, and, second, if it did arise, in spite of the article 10, in spite of the preamble to the treaty, and the council did not throw it out of court because it was "solely within the domestic jurisdiction" of the United States, and, finally, if the entire assembly made a report against the United States, nothing would follow, because nothing could follow under article 15, except that *Japan might wage a war, and she can do that now*. Nothing would follow, because there is nothing in the treaty to compel the enforcement of the opinion or report of the assembly in that particular.

It is left to the parties unable to settle their controversy under the report then to resort to war, in which the world will take no part except conciliation, world opinion, and world influence. The report is not made enforceable by article 15. Such a report is only of the same force as a report by the council, wherein the members agree not to go to war against a member who complies with the recommendations of the report. If the council fails to reach a unanimous report the members reserve liberty of action.

We would not be any worse off if the three times impossible should happen, as imagined by the Senator, for Japan could make war on us now if Japan wished to do so. Besides that, we could withdraw from the league of nations if we did not like the administration of it. There is not the slightest possibility, however, that any nation will ever withdraw from this league once it has entered into it, because this league will work to perfection, giving a forum, a meeting place, where the nations of the world can come together and use there the common sense and common honesty of the human race, and that will be found sufficient.

The Senator is seeing ghosts, which were not visible at Union College. The Senator declares that if other nations are willing to subject themselves to the *domination* of a league, he will never, never consent for the United States to be *dominated* by the league.

The Senator need not trouble himself. Other nations are not willing to subject themselves to the *domination* of a league, but enter into the league for the purpose of protecting themselves against the *domination* of outlaw military tribes or nations who are not yet sufficiently advanced in civilization to appreciate the blessings of liberty and justice and self-government.

The Senator is very much frightened about the Monroe doctrine, and it is extremely difficult for me to believe in the sincerity of those who argue the Monroe doctrine will be weakened by the proposed covenant which explicitly recognizes it and implicitly confirms it by every principle of the proposed covenant.

The Senator is terribly afraid that we can not withdraw, because he thinks that we could not withdraw *except by unanimous vote*, that all our international obligations and all obligations under the covenant had been fulfilled. It never crossed the mind of any honest man who had part in framing this league covenant that any member could be refused the right to withdraw on any such ground. Such an interpretation is not only contradicted by the President of the United States but is absurd. Of course, a nation in withdrawing should withdraw and discharge its obligations at the same time. But the Senator proves too much. He discovers that it requires *unanimous* action to withdraw.

If it were an *affirmative action of the league* (which it is not) it might be true, for an affirmative action of the league does require *unanimous* consent; but this discovery entirely destroys

the long argument which the Senator makes about the league dominating the United States, interfering with immigration, tariffs, and so forth, as no one is stupid enough to contend a *unanimous* vote of the assembly to deal unjustly with any nation is possible.

The Senator greatly enlarges upon the United States meddling in the internal affairs of the nations of Europe. There is nothing in the league of nations which justifies this notion of the Senator from Massachusetts. On the contrary, the 10th article prevents any interference with the existing political independence of the nations. It was necessary, in setting up the new Governments of Europe, made up out of the heretofore subject peoples of Austria and Germany, to provide the means of which they should be established, including Turkey and Bulgaria; but beyond this the treaty does not go, and in this the covenant of the league takes no part.

Mr. President, I favor the liberty and freedom of all peoples sufficiently advanced to govern themselves or under mandates where backward and not yet qualified. I wish to see Ireland free and the Philippines. I wish to see Egypt and Porto Rico free; I wish to see India and Korea free to govern themselves, and given honest, faithful help to accomplish this end in safety and peace.

The members of the league, article 23 (b), "undertake to secure just treatment of the native inhabitants of territories under their control."

What is the just treatment referred to? It can be nothing less than liberty, freedom, and self-government, such as was involved in the proposals of President Wilson as a basis of the armistice, and which was accepted by all our great allies.

We set the example in Cuba, we are following it in the Philippines, we must perfect it in Porto Rico, and we must use our influence in having this element of justice carried out throughout the world undeterred by commercial or industrial selfishness.

Mr. President, the league of nations in this covenant is a league between the great, honest, peace-loving democracies and free nations of the whole earth.

Its moral influence for peace and good will toward men is the greatest power ever invoked for the peace, the happiness, the prosperity of mankind. It not only proposes peace; it provides the most abundant means and mechanism by which to accomplish it. It provides the completest means for the conciliation of disputes and the settlement of controversies by arbitration.

It provides for disarmament and the reduction of the military and naval forces of mankind down to police purposes.

It puts an end to military dynasties. It establishes the great principles of liberty, justice, and the self-government of the people of the whole world.

On such principles it safeguards the backward peoples of the world and provides a means for leading them forward to civilization without exploitation.

It provides for the protection and preservation of the territorial integrity and existing political independence of every nation.

It provides the means to enforce the rights of member nations against aggression.

It establishes in the council and in the assembly a meeting place where all the nations of the world may in one chamber communicate with each other freely and openly.

It puts an end to secret treaties and political intrigue and military dynasties and the doctrine of divine right and the doctrine that might makes right and establishes on earth the rule of conscience, the rule of morality, the rule of international decency and justice and good neighborhood. It is not a mere peace of idealism based on a rosy dream. It is a real living, vital force, born on the battle field out of the blood of all of the nations of earth. The world will not go back. It is moving forward under the leadership of God and the everlasting doctrines of Christ. Let the Senator from Massachusetts beware of throwing himself across the path of the righteous judgment of mankind.

#### INDEX TO TREATY OF PEACE WITH GERMANY.

Mr. KNOX. Mr. President, yesterday I asked and obtained the privilege to have inserted in the *RECORD* at the conclusion of my remarks an index to the German peace treaty, which was prepared for my own use by Maj. J. Ruben Clark, jr., former Solicitor of the Department of State. The copy of the index did not accompany my speech as printed in the *RECORD* of to-day. I therefore ask that the matter may be inserted in the proceedings of to-day.

THE VICE PRESIDENT. Without objection, it is so ordered.



The matter referred to is as follows:

DATA PRESENTED TO THE COMMITTEE ON FOREIGN RELATIONS, UNITED STATES SENATE, RELATING TO THE TREATY OF PEACE WITH GERMANY.

[Prepared by Maj. J. Reuben Clark, jr., formerly Solicitor of the Department of State.]

*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles.*

- [NOTE 1. The "Principal Allied and Associated Powers" are the United States, France, Great Britain, Italy, and Japan. The "Allied and Associated Powers" are the foregoing powers and all other signatory of the Treaty, except Germany. The "High Contracting Parties" are all signatories of the Treaty. It is not clear who are designated as "Allies."]
- NOTE 2. The page references first given are to the two-language text (Senate Doc. 51, 66th Cong., 1st sess.). The *italic* page references are to the English text (Senate Doc. 49, 66th Cong., 1st sess.).
- NOTE 3. The table below is designed to show side by side the property or rights given up by Germany, whether it be territory ceded or renounced, obligations assumed or acknowledged, rights renounced or abrogated, rights recognized, or property rights surrendered (placed in the left-hand column); and the credit, if any allowed, for such property on the general reparation account (placed in the right-hand column). As to items as to which it is expressly provided that credit shall be given, it is so stated in the right-hand column opposite the item. If it is expressly provided in the Treaty that no credit shall be given, this also is stated in that column. When the matter is doubtful, a question mark is placed in that column, after the entry. If no entry at all is made in the credit column, it means nothing has been found in the Treaty to indicate that any credit at all shall be given.
- NOTE 4. Speaking broadly and generally the theory of the Treaty in the matter of the making up by Germany of damages and losses, appears to be this: Restitution shall be made of all Allied and Associated property taken by or coming into the possession of Germany since the war began, if the property is now in existence. In addition to this, reparation shall be made for property lost or destroyed and for civilian personal injuries caused by the war. The Reparation Commission is to make the adjustment for this, seemingly by making one bill against Germany covering everything and by then giving on this account credit for the assets turned over by Germany for which credit is to be allowed. No credit is allowed for the portion of public debt assumed by cessionaries of territory.
- NOTE 5. The Treaty also provides for the liquidation of all German property in Allied and Associated countries, and of the property of all nationals of such Powers in Germany, including the private securities held in Germany of companies of Allied and Associated Powers. All cash assets of such liquidation held by an Allied or Associated Power go to the payment of claims (in respect of property, rights, and interests) against Germany by the Powers' nationals, the balance, if retained by the Power, is to be paid to the Reparation Commission and credited on the reparation account.]

I. ELEMENTS AND PRINCIPLES OF GERMAN RESPONSIBILITIES AND LIABILITIES.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

DAMAGES.

Germany accepts the responsibilities of *Germany and her Allies* for causing all the loss and damage to which the Allied and Associated Governments and their nationals have been subjected as a consequence of the war imposed upon them by the aggression of Germany and her Allies. (Art. 231, p. 249; p. 91.)

Germany undertakes that she will make compensation for all damage done to the civilian population of the Allied and Associated Powers and to their property during the period of the belligerency of each as an Allied or Associated Power against Germany by such aggression by land, by sea, and from the air. (Art. 232, p. 249; p. 91.) The amount of such damage for which compensation shall be made is to be determined by the Reparation Commission and notified to Germany. (Art. 233, p. 251; p. 92.)

Compensation may be claimed from Germany for damages under following heads (Art. 244, Annex I, p. 259; p. 95):

(1) Damage to injured persons and to surviving dependents by personal injury to or death of civilians caused by acts of war, including bombardments or other attacks on land, on sea, or from the air, and all the direct consequences thereof, and of all operations of war by the two groups of belligerents wherever arising.

(2) Damage by Germany or her Allies caused to civilian victims by acts of cruelty, violence, or maltreatment (including injuries to life or health as a consequence of imprisonment, deportation, internment, or evacuation, of exposure at sea or of being forced to labor), wherever arising, and to the surviving dependents of such victims.

(3) Damage caused by Germany or her Allies, in their own territory or in occupied or invaded territory to civilian victims of all acts injurious to health or capacity to work or to honor, as well as to surviving dependents of such victims.

(4) Damage caused by any kind of maltreatment of prisoners of war.

(5) As damages caused to the peoples of the Allied and Associated Powers, all pensions and compensations in the nature of pensions to naval and military victims of war (including members of the air force), whether mutilated, wounded, sick, or invalided, and to the dependents of such victims, the amount due to the Allied and Associated Governments being calculated for each of them as being the capitalized cost of such pensions and compensation at the date of the coming into force of the present treaty on the basis of the scales in force in France at such date.

(6) The cost of assistance by the Governments of the Allied and Associated Powers to prisoners of war and to their families and dependents.

(7) Allowances by the Governments of the Allied and Associated Powers to the families and dependents of mobilized persons or persons serving with the forces, the amount due to them for each calendar year in which hostilities occurred being calculated for each Government on the basis of the average scale for such payments in force in France during that year.

(8) Damage caused to civilians by being forced by Germany or her allies to labor without just remuneration.

"The following shall be reckoned as credits to Germany in respect of her reparation obligations:

"(a) Any final balance in favor of Germany under Section V (Alsace-Lorraine) of Part III (Political Clauses for Europe) and Sections III and IV of Part X (Economic Clauses) of the present treaty:

"(b) Amounts due to Germany in respect of transfers under Section IV (Saar Basin) of Part III (political clauses for Europe), Part IX (financial clauses) and Part XII (ports, waterways, and railways);

"(c) Amounts which in the judgment of the Reparation Commission should be credited to Germany on account of any other transfers under the present Treaty of property, rights, concessions, or other interests.

"In no case, however, shall credit be given for property restored in accordance with Article 238 of the present part." (Art. 243, p. 257; p. 94.)

Article 238 relates to the restitution of cash or the identical property taken from the Allied or Associated Powers.

And see Article 250, p. 307, p. 112.

Germany shall be given credit on the Reparation Account for the value as assessed by the Reparation Commission of material handed over under Article VII of the Armistice of November 11, 1918, and Article III of the Armistice Agreement of January 16, 1919, and for any other mate-



*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

I. ELEMENTS AND PRINCIPLES OF GERMAN RESPONSIBILITIES AND LIABILITIES—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

(9) Damage in respect of all property wherever situated belonging to any of the Allied or Associated States or their nationals, with the exception of naval and military works or materials, which have been carried off, seized, injured, or destroyed by the acts of Germany or her allies on land, on sea, or from the air, or damage directly in consequence of hostilities or of any operations of war.

(10) Damage in the form of levies, fines, and other similar exactions imposed by Germany or her Allies upon the civilian population.

"The measures which the Allied and Associated Powers shall have the right to take, in case of voluntary default by Germany, and which Germany agrees not to regard as acts of war, may include economic and financial prohibitions and reprisals and in general such other measures as the respective Governments may determine to be necessary in the circumstances." (Art. 244, Annex II, par. 18, p. 275; p. 101.)

Damage for repairing, reconstructing, and rebuilding property in the invaded and devastated districts, including reinstallation of furniture, machinery, and other equipment, will be calculated according to the cost at the dates when the work is done. (Art. 244, Annex II, par. 12 (e), p. 269; p. 99.)

Interest shall be debited to Germany as from May 1, 1921, in respect of her debt as determined by the Commission, after allowing for sums already covered by cash payments or their equivalent, or by bonds issued to the Commission, or under Article 243. The rate of interest shall be 5 per cent unless the Commission shall determine at some future time that circumstances justify a variation of this rate.

The Commission, in fixing on May 1, 1921, the total amount of the debt of Germany, may take account of interest due on sums arising out of the reparation of material damage as from November 11, 1918, up to May 1, 1921. (Art. 244, Annex II, par. 16, p. 273; p. 100.)

RESTITUTION.

Restitution in cash of cash taken away, seized, or sequestered; and restitution of animals, objects of every nature and securities taken away, seized, or sequestered, in the cases in which it proves possible to identify them in territory belonging to Germany or her allies. (Art. 238, p. 255; p. 93.)

Germany undertakes to devote her economic resources directly to the physical restoration of the invaded areas of the Allied and Associated Powers to the extent that these Powers may determine (Art. 244, Annex IV, par. 1, p. 283; p. 104) and to make direct application of Germany's economic resources to reparation as specified in Annexes III, IV, V, and VI (Part VIII, sec. 1) relating, respectively, to merchant shipping, to physical restoration, to coal and derivatives of coal, and to dyestuffs and other chemical products. (Art. 236, p. 253; p. 93.)

Whatever part of the full amount of the proved claims is not paid in gold, or in ships, securities and commodities or otherwise, Germany shall be required, under such conditions as the Commission may determine, to cover by way of guarantee by an equivalent issue of bonds, obligations or otherwise, in order to constitute an acknowledgment of the said part of the debt. (Art. 244, Annex II, par. 12 (a), p. 267; p. 98.)

APPLICATION OF GERMAN ASSETS.

PRIORITIES.

"Subject to such exceptions as the Reparation Commission may approve, the first charge upon all the assets and revenues of the German Empire and its constituent states shall be the cost of reparation and all other costs arising under the present Treaty, or any treaties or agreements supplementary thereto or under arrangements concluded between Germany and the Allied and Associated Powers during the Armistice or its extensions.

"Up to May 1, 1921, the German Government shall not export or dispose of, and shall forbid the export or disposal of, gold without the previous approval of the Allied and Associated Powers acting through the Reparation Commission." (Art. 248, p. 305; p. 111.)

"The priority of charges established by Article 248 shall, subject to the qualifications made below, be as follows:

"(a) The cost of the armies of occupation as defined under Article 249 during the Armistice and its extensions.

"(b) The cost of any armies of occupation as defined under Article 249 after the coming into force of the present treaty.

"(c) The cost of reparation arising out of the present treaty or any treaties or conventions supplementary thereto.

"(d) The cost of all other obligations incumbent on Germany under the Armistice Conventions or under this Treaty or any treaties or conventions supplementary thereto.

"The payment for such supplies of food and raw material for Germany and such other payments as may be judged by the Allied and Associated Powers to be essential to enable Germany to meet her obligations in respect of reparation will have priority to the extent and upon the conditions which have been or may be determined by the Governments of the said Powers." (Art. 251, pp. 307-309; p. 112.)

The foregoing provisions do not affect the rights of the Allied and Associated Powers to dispose of enemy assets and property within their respective jurisdictions. (Art. 252, p. 309; p. 113.)

rial handed over in accordance with the Armistice of November 11, 1918, and all subsequent Armistice Agreements, for which, as having nonmilitary value credit should, in the judgment of the Reparation Commission, be allowed to the German Government. (Article 250, p. 307; p. 112.)

No credit on compensation account. (Art. 243, p. 257; p. 94; Art. 250, p. 307; p. 112.)

"The value of the property transferred and any services rendered by her under these Annexes (Part VIII) assessed in the manner therein prescribed, shall be credited to her (Germany) towards liquidation of her obligations under the above articles." (Art. 236, p. 253; p. 93.)



*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

I. ELEMENTS AND PRINCIPLES OF GERMAN RESPONSIBILITIES AND LIABILITIES—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

"Nothing in the foregoing provisions shall prejudice in any manner charges or mortgages lawfully effected in favor of the Allied or Associated Powers or their nationals respectively, before the date at which a state of war existed between Germany and the Allied or Associated Power concerned, by the German Empire or its constituent states, or by German nationals, on assets in their ownership at that date." (Art. 253, p. 309; p. 113.)

The successive installments paid over by Germany in satisfaction of the claims will be divided by the Allied and Associated Governments in proportions which have been determined upon by them in advance on a basis of general equity and of the rights of each. (Art. 237, p. 253; p. 93.)

PROPERTY, RIGHTS, AND INTEREST.

The Allied and Associated Powers reserve the right (subject to contrary stipulations in the Treaty) to retain and liquidate all property, rights, and interests belonging at the date of the coming into force of the present treaty to German nationals, or companies controlled by them, within their territories, colonies, possessions, and protectorates, including territories ceded to them by the present treaty. (Art. 297, p. 367; p. 134; and see also Art. 252, p. 309; p. 113.) This applies to industrial, literary, and artistic property dealt with under war legislation by the Allied and Associated Powers (Art. 298, Annex, par. 15, p. 385; p. 141), but rights of industrial, literary, and artistic property not so treated shall be restored, and rights which would have been established except for the war shall be recognized and established (Art. 306, pp. 415, 417; p. 152). The German owner shall not be able to dispose of such property, rights, or interests nor to subject them to any charge without the consent of that state. (Art. 297 (b), p. 367; p. 134.) Until the completion of the liquidation so provided for, the property, rights, and interests of German nationals will continue to be subject to exceptional war measures that have been or will be taken with regard to them. (Art. 298, Annex, par. 9, p. 381; p. 139.)

The nationals of Allied and Associated Powers shall be entitled to compensation in respect of damage and injury inflicted upon their property, rights, or interests, including any company or association in which they are interested in German territory as it existed on August 1, 1914, by the application either of the exceptional war measures or measures of transfer mentioned in paragraphs 1 and 2 of the Annex hereto. This compensation shall be borne by Germany, and may be charged upon the property of German nationals within the territory of or under the control of the claimant's state, which property may be constituted as a pledge for enemy liabilities under the conditions fixed by paragraph 4 of the Annex thereto. The payment of this compensation may be made by the Allied or Associated state, and the amount will be debited to Germany. (Art. 297 (c), p. 369; p. 134.)

All property rights and interests of German nationals within the territory of any Allied or Associated Powers and the net proceeds of their sale, liquidation, or other dealing therewith, may be charged by that Allied or Associated Power in the first place with payment of amounts due in respect of claims by the nationals of that Allied or Associated Power with regard to their property, rights, and interests, including companies and associations in which they are interested in German territory, or debts owing to them by German nationals, and with payment of claims growing out of acts committed by the German Government or by any German authorities since July 31, 1914, and before that Allied or Associated Power entered into the war. The amount of such claims may be assessed by an arbitrator appointed by Mr. Gustave Ador, or he being unwilling, by the Mixed Arbitral Tribunal. They may be charged in the second place with payment of the amounts due in respect of claims by the nationals of such Allied or Associated Power with regard to their property, rights, and interests, within the territory of other enemy powers in so far as those claims are otherwise unsatisfied. (Art. 298, Annex, par. 4, p. 379; p. 138.)

Each of the Allied and Associated Powers reserves the right to impose limitations on industrial, literary, or artistic property, acquired before or during the war, or hereafter, of a character deemed necessary by the Power for national defense or the public interest, or except as to rights hereafter acquired, as a coercive or preventative measure against Germany, or for securing performance of the obligations of the present Treaty. But these provisions shall not apply to properties dealt with under war measures. (Art. 306, p. 419; p. 152.) Rights lapsed on account of nonperformance of any formality because of the war shall be revived. (Art. 307, p. 421; p. 153.) Such revival to be subject to regulations of war time.

Rights of priority as to such property shall be extended. (Art. 308, p. 421; p. 153.)

Any claim for compensation in respect of damage or injury to property, rights, or interests by the application of measures of transfer shall be satisfied by the restitution of the said property, if it still exists in specie (Art. 297 (f), p. 369; p. 135); but such right of restitution is reserved to owners who are nationals of Allied or Associated Powers within whose territory legislative measures prescribing the general liquidation of enemy property, rights, or interests were not applied before the signature of the Armistice. (Id. (g) p. 371; p. 135.)

Up to the time when restitution is carried out under Article 297, Germany is responsible for the conservation of property, rights, and interests of the nationals of allied and associated powers, including companies and associations in which they are interested that have been subjected by her to exceptional war measures. (Art. 298, Annex, par. 6, p. 381; p. 139.)

Price or amount of compensation fixed in accordance with the methods of sale or valuation adopted by the laws of the country in which the property has been retained or liquidated. (Art. 297 (c), p. 367; p. 134.)

No credit on compensation account for the product of the liquidation of the property covered by these sections, except in so far as concerns any final balance in favor of Germany under Article 243. (Art. 242, p. 257; p. 94.)

Compensation shall be determined by the Mixed Arbitral Tribunal provided for in Section VI or by an arbitrator appointed by that Tribunal. (Art. 297 (e), p. 369; p. 134; and see Art. 298, Annex, p. 4, p. 379; p. 138, opposite column below.)



*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

I. ELEMENTS AND PRINCIPLES OF GERMAN RESPONSIBILITIES AND LIABILITIES—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

All investments, wheresoever effected, with the cash assets of nationals of the High Contracting Parties, including companies and associations in which such nationals were interested, by persons responsible for the administration of enemy properties or having control over such administration, or by order of such persons or of any authority whatsoever shall be annulled. These cash assets shall be accounted for irrespective of any investment. (Art. 298, Annex, par. 12, p. 383; p. 140; Art. 306, p. 417; p. 151.)

Germany undertakes to transfer to any Power to which German territory in Europe is ceded and to any Power administering former German territory as a mandatory, under Article 22 of Part I (League of Nations) such portion of the reserves accumulated by the Government of the German Empire or of German states, or by public or private organizations under their control, as is attributable to the carrying on of social or state insurance in such territory, the funds transferred to be applied to the performance of obligations arising from such insurance. (Art. 312, p. 427; p. 155.)

Without prejudice to other announcements in the Treaty the Reparation Commission may within one year from the coming into force of the Treaty demand that the German Government shall become possessed of rights and interests of German nationals in any public utility, undertaking or in any concession, operating in Russia, China, Turkey, Austria, Hungary, and Bulgaria or in the possessions or dependencies of these states or in any territory formerly belonging to Germany or her allies, to be ceded by Germany or her allies to any power or to be administered by a mandatory under the present Treaty, and may require that the German Government transfer, within six months of the date of demand, all such rights and interests and any similar rights and interests the German Government may itself possess to the Reparation Commission. (Art. 260, p. 317; p. 116.) The provisions of this article apply in the case of all agreements concluded with German nationals for the construction or exploitation of German works in the German oversea possessions, as well as any sub-concessions or contracts resulting therefrom which may have been made to or with such nationals. (Art. 123, p. 171; p. 63.)

Credit given on reparation account for the value assessed by the Reparation Commission of the transferred rights. (Art. 260, p. 317; p. 116.)

WAIVER OF CLAIMS BY GERMANY.

*To China and any Allied or Associated Government:*

All claims arising out of the internment of German nationals in China and their repatriation, and all claims arising out of the capture and condemnation of German ships in China or the liquidation, sequestration, or control of German property rights and interests in that country since August 14, 1917. (Art. 133, p. 177; p. 65.) Rights of individuals are protected under Part X of the Treaty (id.).

*To Siam:*

Germany waives all claims against the Siamese Government on behalf of herself and her nationals arising out of the seizures and condemnation of German ships, the liquidation of German property, or the internment of German nationals in Siam. (Art. 137, p. 179; p. 66.) Rights of individuals are protected under Part X of the Treaty (id.).

*To Allied and Associated Governments:*

Germany waives all claims of any description against the Allied and Associated Governments and their nationals in respect of the detention, employment, loss, or damage of any German ships or boats, exception being made of payments due in respect of the employment of ships in conformity with the Armistice Agreement of January 13, 1919, and subsequent agreements.

Germany waives all claims to vessels or cargoes sunk by or in consequence of naval action and subsequently salvaged, in which any of the Allied or Associated Governments or their nationals may have any interest either as owner, charterer, insurer, or otherwise, notwithstanding any decree of condemnation which may have been made by a prize court of Germany or her allies. (Art. 244, Annex III, pars. 8-9, pp. 281-283; pp. 103-104.)

No claims or indemnities which may result from the annulment of concessions, privileges, and favors of any kind granted since August 1, 1914, to Germany or to a German national by Russia or a state or government of which the territory formerly constituted a part of Russia, shall be charged against the Allied or Associated Powers or the powers or states, governments, or public authorities which are released from their engagements by the present article. (Art. 293, p. 345; p. 126.)

Without prejudice to the provisions of the present treaty Germany undertakes not to put forward directly or indirectly against any allied or associated power signatory of the present Treaty, including those which, without having declared war, have broken off diplomatic relations with the German Empire, any pecuniary claims based on events which occurred at any time before the coming into force of the present Treaty. The present stipulation will bar completely and finally all claims of this nature, which will be thenceforward extinguished whoever may be the parties in interest. (Art. 439, p. 535; p. 193.)

No claim shall be made or action brought by Germany or German nationals in respect of any industrial, literary, or artistic property used during the war by any Allied or Associated Power or the nationals thereof, nor in respect of any sale, offering for sale, or use of any products, articles, or apparatus whatsoever to which such rights applied. (Art. 306, p. 417; p. 152.)



*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

## II. ABSOLUTE CESSIONS OR RENOUNCEMENTS OF TERRITORY BY GERMANY.

Property and rights given up and duties and obligations undertaken by Germany.	Credit allowed for same.
TERRITORY CEDED.	
<i>To Belgium:</i> Morsenet neutre. (Art. 32, p. 55; p. 21.) Prussian Morsenet. (Art. 33, p. 55; p. 21.)	No compensation beyond the assumption by the cessionary of a portion of the German pre-war debt in an amount equal to that represented by the ratio between the pre-war revenues of the ceded area and the total revenues of the Empire or states, respectively. (Art. 254, p. 309; p. 113.)
<i>To France:</i> Alsace-Lorraine. (Art. 51, p. 93; p. 35.)	No credit on reparation account, but debt assumed. (Art. 39, p. 59; p. 34; Art. 254, p. 309; p. 113.)
<i>To Czecho-Slovak State:</i> Small area in Southeastern Silesia. (Art. 83, p. 119; p. 44.)	No credit on reparation account, and debt not assumed. (Art. 55, p. 95; p. 36; Art. 255, p. 311; p. 113.)
<i>To Poland:</i> Considerable portions of Eastern Germany, seemingly German Poland (boundaries can not be followed on maps available). (Art. 87, p. 123; p. 46.)	No credit on reparation account, but debt assumed. (Art. 254, p. 309; p. 113.)
<i>To Principal Allied and Associated Powers:</i> Free city of Danzig, with adjacent surrounding territory (Art. 100, p. 149; p. 55), to be placed under the protection of the League of Nations. (Art. 102, p. 151; p. 56.) <i>To Principal Allied and Associated Powers:</i> All Germany's rights and titles over her oversea possessions. (Art. 119, p. 169; p. 63.) <i>To Principal Allied and Associated Powers:</i> Memel. (Art. 99, p. 147; p. 55.)	No credit on reparation account, but debt assumed, <i>minus</i> that portion thereof which represents cost of German colonization of Poland. (Art. 92, p. 137; p. 51-52; Art. 255, p. 311; p. 113.) No credit on reparation account, but debt assumed. (Art. 254, p. 309; p. 113.) Debt not assumed. No credit on reparation account. (Art. 257, p. 313; p. 114.) No credit on reparation account, and debt assumed. (Art. 257, p. 313; p. 114.)

## III. CONTINGENT CESSIONS OR RENOUNCEMENTS OF TERRITORY BY GERMANY.

<i>To Belgium:</i> Kreise of Eupen and Malmedy, final disposition determined by plebiscite. (Art. 34, p. 57; p. 22.) <i>To League of Nations, as Trustee, with possibility in France:</i> Saar Basin, final disposition determined by plebiscite (Art. 49, p. 67; p. 25; Art. 50, Annex, Chap. III, par. 34-35, pp. 87-89; p. 33), meanwhile governed by a Commission (Art. 50, Annex, Chap. II, par. 16-33, pp. 77-87; p. 29-33.) <i>To Poland:</i> Upper Silesia, a portion of, if plebiscite so determines. (Art. 88, p. 125; p. 47.) <i>To Poland, or somebody else:</i> East Prussia, portion of, if plebiscite so determines. (Art. 94, p. 141; p. 52.) <i>To Poland or East Prussia:</i> Kreise of Stuhm and Rosenberg, and a portion of the Kreise of Marienburg. (Art. 96, p. 145; p. 53.) <i>To Czecho-Slovak State:</i> Kreis of Leobschutz, a portion of, if a determination of Polish frontier isolates this from Germany. (Art. 83, p. 121; p. 44.) <i>To Principal Allied and Associated Powers:</i> Schleswig, to be handed over to Denmark, if plebiscite so determines. (Art. 109, p. 155; p. 58; Art. 110, p. 163; p. 60.) For purposes of plebiscite, the territory is divided into two zones. (Art. 109, p. 155; p. 60.)	No credit on reparation account, but debt assumed. (Art. 39, p. 59; p. 23; Art. 254, p. 309; p. 113.) No credit on reparation account, and debt not assumed. (Art. 257, p. 313; p. 114.) No credit on reparation account, but debt assumed. If to Poland, <i>minus</i> that portion thereof which represents cost of German colonization of Poland. (Art. 92, p. 137; p. 51; Art. 255, p. 311; p. 113.) No credit on reparation account but debt assumed. (Art. 254, p. 309; p. 113.) No credit on reparation account but debt assumed. (Art. 114, p. 165; p. 61; Art. 254, p. 309; p. 113.)
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## IV. GERMANY'S RELINQUISHMENT OF EXTRATERRITORIAL AND ANALOGOUS RIGHTS.

<i>With Siam:</i> As from July 22, 1917. (Art. 135, p. 177; p. 66.) <i>With Morocco:</i> As from August 3, 1914, "renounces the régime of the capitulations." (Art. 142, p. 181; p. 67.) <i>With Egypt:</i> As from August 4, 1914, "renounces the régime of the capitulations." (Art. 147, p. 183; p. 68.) <i>Samoa:</i> Rights under the tripartite convention of December 2, 1899. (Art. 288, p. 341; p. 125.) No statement as to who receives these rights. [But see general overseas cession, Art. 118, p. 169; p. 63.]	
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*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

V. GERMAN RECOGNITION OF SPECIAL TERRITORIAL RIGHTS AND ACCEPTANCE OF CONSEQUENCES.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

*Morocco:*

Recognition of French Protectorate, and "accepts all the consequences of its establishment." (Art. 142, p. 181; p. 67.)

*Egypt:*

Recognizes protectorate proclaimed over Egypt by Great Britain on December 18, 1914. (Art. 147, p. 183; p. 68.)

VI. GERMANY RECOGNIZES THE INDEPENDENCE OF CERTAIN STATES AND THE BOUNDARIES OR FRONTIERS THEREOF AS ALREADY OR HEREAFTER DETERMINED.

*Austria:*

Germany acknowledges and will respect strictly the independence of Austria, which independence will be inalienable, except with the consent of the Council of the League of Nations, within the frontier fixed in a treaty between that State and the Allied and Associated Powers. (Art. 80, p. 117; p. 44.)

*Czecho-Slovak State:*

Germany recognizes the complete independence of the Czecho-Slovak State, which will include the autonomous territory of the Ruthenians to the south of the Carpathians, and recognizes the frontiers of this State as determined by the Allied and Associated Powers and the other interested States. (Art. 81, p. 119; p. 44.)

*Poland:*

Germany recognizes the complete independence of Poland, the boundaries not laid down in the treaty to be subsequently determined by the Principal Allied and Associated Powers. (Art. 87, p. 125; p. 46.)

*Russia and Russian States:*

Germany acknowledges and agrees to respect as permanent and inalienable the independence of all the territories which were part of the former Russian Empire on August 1, 1914. Germany undertakes to recognize the frontiers of any State now existing or coming into existence which formed a part of the former Empire of Russia as it existed on August 1, 1914, and to recognize the frontiers of such States as determined by them and the Allied and Associated Powers. (Art. 116, p. 167; p. 62.)

*Allied and Associated Powers:*

Germany undertakes to recognize the full force of the Treaties of Peace and additional conventions which may be concluded by the Allied and Associated Powers with the Powers who fought on the side of Germany, and to recognize whatever disposition may be made concerning the territories of the former Austro-Hungarian Monarchy, of the Kingdom of Bulgaria, and of the Ottoman Empire, and to recognize the new States within their frontiers as those laid down. (Art. 434, p. 525; p. 196.)

VII. GERMANY RENOUNCES SPECIAL NAMED CONVENTIONAL RIGHTS OUTSIDE EUROPE.

*To China:*

"Benefits and privileges resulting from the provisions of the final Protocol, signed at Peking on September 7, 1901, and from all annexes, notes, and documents supplementary thereto," and in "favor of China," any "claim to indemnities accruing thereunder subsequent to March 14, 1917" ("Boxer Indemnity"). (Art. 128, p. 173; p. 64.) China not bound to grant to Germany the advantages of the arrangement of August 29, 1902 (regarding the new Chinese tariff) or the arrangement of September 27, 1905, regarding Wheng-Poo, and the provisional supplementary arrangement of April 4, 1912. (Art. 129, p. 173; p. 64.)

Leases under which the German concession at Hankow and Tientsin are now held. (Art. 132, p. 175; p. 65.)

*With Siam:*

All treaties, conventions, and agreements between Siam and Germany terminated. (Art. 135, p. 177; p. 66.)

*With Liberia:*

All rights and privileges arising from the arrangements of 1911 and 1912 regarding Liberia, and particularly the right to nominate a German receiver of customs (no one named to exercise this right) are renounced. (Art. 138, p. 179; p. 66) and all treaties and arrangements between the two countries terminated. (Art. 139, p. 179; p. 66.)

*With Morocco:*

All rights and titles and privileges conferred by the General Act of Algeciras of April 7, 1906, and the Franco-German Agreements of February 9, 1909, and November 4, 1911, are renounced. All treaties, agreements, arrangements, and contracts concluded with the Sherifian Empire are abrogated as from August 3, 1914. (Art. 141, p. 179; p. 67.)

German protected persons, semsars and "associés agricoles" no longer have a privileged status but are subject to the ordinary law. (Art. 143, p. 181; p. 67.) Germany will not intervene in any way in negotiations relating to Morocco between France and any other power. (Art. 141, p. 181; p. 67.)

*With Egypt:*

All treaties, agreements, arrangements, and contracts with Egypt are abrogated as from August 4, 1914. Germany will not intervene in any way in negotiations relating to Egypt between Great Britain and any other power. (Art. 148, p. 183; p. 68.) Germany consents to abrogation of the Khedival decree of November 28, 1904, relat-



*Table of cessions, renuncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

VII. GERMANY RENOUNCES SPECIAL NAMED CONVENTIONAL RIGHTS OUTSIDE EUROPE—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

ing to the Commission of the Egyptian Public Debt or to changes therein as the Egyptian Government may wish. Germany renounces all participation in the Sanitary, Maritime, and Quarantine Board of Egypt. (Art. 151, p. 185; p. 69.)

*To Japan:*

All her rights, title and privileges which Germany acquired from China by the Treaty of March 6, 1898, and all other arrangements relating to the Province of Shantung. (Art. 156, p. 187; p. 70.)

*To France:*

All rights under the Conventions and Agreements with France of November 4, 1911, and September 28, 1912, relating to Equatorial Africa. (Art. 125, p. 171; p. 64.)

*To Great Britain:*

Transfer to Great Britain, of the powers conferred on his Majesty the Sultan, by the Convention signed at Constantinople on October 29, 1888, relating to free navigation on the Suez Canal. (Art. 152, p. 185; p. 69.)

VIII. GERMANY CONSENTS BEFOREHAND TO ANY TREATIES WHICH THE ALLIED OR ASSOCIATED POWERS MAY MAKE.

(See Memorandum No. 7.)

*With Belgium:*

Any treaties entered into by the Principal Allied and Associated Powers, Belgium, and Holland, to replace the Treaties of April 19, 1839. (Art. 31, p. 55; p. 21.)

*With Luxemburg:*

Germany accepts in advance all international arrangements which may be concluded by the Allied and Associated Powers relating to the Grand Duchy. (Art. 40, p. 61; p. 23.)

*Russia and Russian States:*

Germany will recognize all treaties or agreements entered into by the Allied and Associated Powers with states now existing or coming into existence in the future in the whole or part of the Empire of Russia as it existed on August 1, 1914. (Art. 117, p. 167; p. 62.)

*Allied and Associated Powers or one of them with any other Power:*

Germany will accept and observe all agreements made by these Powers relating to trade in arms and spirits, and to matters dealt with in the General Act of Berlin of February 26, 1885, the General Act of Brussels of July 2, 1890, and the conventions completing or modifying the same. (Art. 126, p. 173; p. 64.)

*Turkey and Bulgaria:*

Germany recognizes and accepts all arrangements which the Allied and Associated Powers may make with Turkey and Bulgaria with reference to the rights, interests, and privileges claimed by or for German nationals in those States. (Art. 155, p. 187; p. 69.)

*New States:*

Germany undertakes not to refuse her assent to conclusion of certain arrangements by new states. (Art. 283, p. 339; p. 124.)

*Principal Allied and Associated Powers with Third Power:*

Germany hereby undertakes to recognize and to conform to the measure and agreements taken by the foregoing powers to carry out the renouncement of Germany's rights, titles, and privileges whatever in or over territories which belonged to her or to her allies, and all rights, titles, and privileges whatever their origin which she held as against the Allied and Associated Powers. (Art. 118, p. 169; p. 62.)

*Allied and Associated Powers:*

Germany undertakes to adhere to any general conventions regarding international régime of transit, waterways, ports or railways which may be concluded by the Allies and Associated Powers, with the approval of the League of Nations, within five years of the coming into force of the present Treaty. (Art. 379, p. 483; p. 175.)

Germany undertakes to recognize the full force and effect of the Treaties of Peace and Additional Conventions which may be concluded by the Allied and Associated Powers with the Powers who fought on the side of Germany. (Art. 434, p. 525; p. 190.)

IX. GERMANY CONSENTS TO ABROGATION OF ALL TREATIES NOT SPECIALLY RESERVED, WITH RESULTING LOSS OF ALL ADVANTAGES APPERTAINING THERETO.

*Multilateral Engagements:*

Multilateral treaties, conventions, and agreements of an economic character as enumerated in the Treaty shall alone be applied as between Germany and those of the Allied and Associated Powers party thereto. (Art. 282, p. 335; p. 122.)

*Bilateral Engagements:*

Each of the Allied or Associated Powers shall notify to Germany the bilateral treaties or conventions which such Allied or Associated Power wishes to revive with Germany. Only such bilateral treaties so notified shall be revived; all the others are and remain abrogated. (Art. 289, p. 343; p. 125.)

*Austria, Hungary, Bulgaria, Turkey:*

All treaties, conventions, or agreements concluded with these powers since August 1, 1914, to the coming into force of this Treaty "are and shall remain abrogated." (Art. 290, p. 343; p. 125.)

*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

IX. GERMANY CONSENTS TO ABROGATION OF ALL TREATIES NOT SPECIALLY RESERVED, WITH RESULTING LOSS OF ALL ADVANTAGES APPERTAINING THERETO—Continued.

Property and rights given up and duties and obligations undertaken by Germany.	Credit allowed for same.
<p><i>Russia, Roumania:</i> All treaties, conventions, or arrangements concluded with Russia, or any Russian state or Government, or with Roumania, either before August 1, 1914, or after that date until the coming into force of the present Treaty, "are and remain abrogated." (Art. 292, p. 345; p. 126.) Germany accepts definitely the abrogation of the Brest-Litovsk Treaties and all other treaties, conventions, and agreements entered into by her with the Maximalist Government in Russia. (Art 116, p. 167; p. 62.)</p> <p><i>Belgium:</i> Recognizes neutralizing treaties of April 19, 1839, as no longer conformable to the requirements of the situation and consents to the abrogation thereof. (Art. 31, p. 55; p. 21.)</p> <p><i>Lucemburg:</i> Germany "Adheres to the termination of the régime of neutrality of the Grand Duchy" established by the treaty of May 11, 1867. (Art. 40, p. 61; p. 23.)</p>	

X. GERMAN PROPERTY TURNED OVER, SURRENDERED, ETC.

1. GERMAN NATIONAL PROPERTY, IMPERIAL AND STATE, AND THE PRIVATE PROPERTY OF THE EX-EMPEROR AND OTHER ROYAL PERSONAGES. (COMPENSATION, WHERE MADE, IS TURNED OVER TO REPARATION COMMISSION.)

<i>To Belgium:</i> Moresnet neutre and Prussian Moresnet, such property in.	No credit or compensation. (Art. 39, p. 59; p. 23; Art. 256, p. 313; p. 114.)
<i>To France:</i> Alsace-Lorraine, such property in.	No credit or compensation. (Art. 56, p. 95; p. 36; Art. 256, p. 313; p. 114.)
<i>To Czecho-Slovak State:</i> Silesia, such property in small area in southeastern part of.	Credit on reparation account. (Art. 256, p. 311; p. 114.)
<i>To Poland:</i> Eastern Germany, such property in ceded portions of.	Credit on reparation accounts, minus valuation of buildings, forests, and other state property belonging to the former Kingdom of Poland. (Art. 256, p. 313; p. 114; Art. 92, p. 139; p. 51.)
<i>To Principal Allied and Associated Powers:</i> Memel, such property in.	Credit on reparation account. (Art. 256, p. 311; p. 114.)
<i>To Principal Allied and Associated Powers:</i> Free City of Danzig, such property in.	Credit on reparation account. (Art. 256, p. 311; p. 114.) But property shall be given to Free City of Danzig or to Poland as the owning Powers may determine. (Art. 107, p. 155; p. 58.)
<i>To Principal Allied and Associated Powers:</i> German Colonies, all such property in.	No credit on reparation account. (Art. 257, p. 313; p. 114.)
<i>To Belgium:</i> Kreise of Eupen and Malmedy, such property in, if area ceded to Belgium after plebiscite.	No credit on reparation account. (Art. 39, p. 59; p. 23; Art. 256, p. 313; p. 114.)
<i>To League of Nations as Trustee with possibility in France:</i> Saar Basin, such property in, if area ceded to France after plebiscite.	No credit(?) (See Art. 257, p. 313; p. 114.)
<i>To Poland:</i> Upper Silesia, such property in portions of, if area goes to Poland after plebiscite.	Credit if to Poland. (Art. 256, p. 311; p. 114.)
<i>To Poland or somebody else:</i> East Prussia, such property in portions of, if area goes to Poland after plebiscite.	
<i>To Poland or East Prussia:</i> Kreise of Stuhm and Rosenberg, and a portion of the Kreise of Marienburg, such property in, if area goes to Poland after plebiscite.	
<i>To Czecho-Slovak State:</i> Kreis of Leobschutz, such property in a portion of, if area goes finally to Czecho-Slovak State.	Credit on reparation account. (Art. 256, p. 311; p. 114.)
<i>To Principal Allied and Associated Powers:</i> Schleswig, such property in, if area goes to Denmark after plebiscite.	Credit(?) (Art. 256, p. 311; p. 114; but see Art. 114, p. 165; p. 61.)
<i>To Great Britain:</i> Canton, such property in the British Concession at Shameen.	Credit(?) (Art. 256, p. 311; p. 114.)
<i>To France and China conjointly:</i> Shanghai, property in German school at.	Credit(?) (Art. 256, p. 311; p. 114.)
<i>To China:</i> Tientsin and Hankow or elsewhere in Chinese territory, such property in German concession, enumerated in this instance by classes, diplomatic and consular residences or offices being excluded. <i>Shantung reserved also.</i>	Credit(?) (Art. 256, p. 311; p. 114.)



Table of cessions, renunciations, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.

X. GERMAN PROPERTY TURNED OVER, SURRENDERED, ETC.—Continued.

1. GERMAN NATIONAL PROPERTY, IMPERIAL AND STATE, AND THE PRIVATE PROPERTY OF THE EX-EMPEROR, ETC.—Continued.

Property and rights given up and duties and obligations undertaken by Germany.	Credit allowed for same.
<i>To Siam:</i> All such property, <i>except</i> premises used as diplomatic or consular residences or offices.	"Without compensation." (Art. 136, p. 177; p. 66.)
<i>To Maghzen (Morocco):</i> Sherifian Empire, all such property in.	"Without payment." (Art. 144, p. 181; p. 67.)
<i>To Egypt:</i> Egypt, all such property in.	"Without payment." (Art. 153, p. 185; p. 69.)
<i>To Japan:</i> Kiaochow, all such property in.	"Free and clear of all charges and encumbrances." (Art. 157, p. 187; p. 70.)

2. GERMAN PROPERTY, NATIONAL OR PRIVATE, AND RIGHTS THEREIN, SUCH AS NATURAL RESOURCES, DEVELOPMENT OR EXPLOITATION WORKS, TRANSPORTATION SYSTEMS, CABLES, TELEGRAPH LINES, ETC., GIVEN UP BY GERMANY.

NATURAL RESOURCES.

<i>To France:</i> Saar Basin, coal mines in (Art. 45, p. 63; p. 24), whether Government or private owned. (Art. 50, Annex, Chap. I, par. 2, p. 69; p. 26.) If Saar Basin goes ultimately to Germany, she repurchases mines for gold. (Art. 50, Annex, Chap. III, par. 36, p. 89; p. 34.) Alsace-Lorraine, all rights regarding trade in potash salts, under the law of May 25, 1910, and any stipulation for the interruption of German organizations in the working of potash mines, as well as all rights under any existing agreements, stipulations, or laws with regards to other products. (Art. 71, p. 107; p. 40.)	"As compensation for the destruction of the coal mines in the north of France and as part payment toward the total reparation due from Germany for the damage resulting from the war." (Art. 45, p. 63; p. 24.) Credit given on reparation account. (Art. 50, Annex, Chap. I, par. 5, p. 71; p. 27.) (See Art. 243 (a), p. 257; p. 94.)
<i>To Japan:</i> Mines, plants, and materials for exploiting mines, together with all rights and privileges attaching thereto, connected with Tsingtao-Tsinaufu Railway. (Art. 156, p. 187; p. 70.)	Seemingly no compensation. (Art. 156 (last paragraph), p. 187; p. 70.)
<i>To Morocco:</i> Mining rights recognized as belonging to German nationals. (Art. 144, p. 181; p. 67.)	Credit given on reparation account. (Art. 144, p. 181; p. 67; Art. 297 (b), p. 367; p. 134; Art. 243, p. 257; p. 94.)

PUBLIC UTILITIES, INCLUDING RAILWAYS.

<i>To France:</i> Accessories and subsidiaries to Saar coal mines, particularly their plant and equipment, surface and underground extracting machinery, electric, coke and by-products plants, workshops, means of communication, electric lines, plant for catching and distributing water, lands, buildings as offices and dwellings for officers, managers, employees, and workmen, schools, hospitals, and dispensaries, stocks and supplies of every description, their archives and plans, and everything which those who own or exploit the mines possess or enjoy for the purpose of exploiting the mines and their accessories. (Art. 50, Annex, Chap. I, par. 3, pp. 69-71; p. 26.) Rights of German Empire over all railways, administered by the Imperial Railway Administration, which are in operation or under construction in Alsace-Lorraine. (Art. 67, p. 103; p. 39.) Rights of German Empire over all railways and tramway concessions in Alsace-Lorraine. (Art. 67, p. 103; p. 39.)	Credit on reparation account for value, determined by Reparation Commission. (Art. 50, Annex, Chap. I, par. 3, pp. 69-71; p. 26.)
<i>To Luxemburg (?) :</i> All rights in the exploitation of the railways. (Art. 40, p. 61; p. 23.)	No compensation. (Art. 67, p. 103; p. 39.)
<i>To Cessionaries of German Territory:</i> Belgium, France, Poland, Principal Allied and Associated Powers (for Denmark and Free City of Danzig and for themselves) and Czecho-Slovak State. Railways in ceded territory named above, complete and in good condition, with all the rolling stock thereto belonging, complete and in normal state of upkeep; if no rolling stock belongs thereto, a proportionate part of rolling stock of systems to which railway belongs. (Latter provision applies to railways of "former Russian Poland.") (Art. 371, p. 477; p. 173.)	No compensation. (Art. 67, p. 103; p. 39.)
<i>To Japan:</i> All German rights in the railways in Kiaochow. All German rights in the Tsingtao-Tsinaufu Railway, including its branch lines, together with its subsidiaries, of all kinds—stations, shops, fixed and rolling stock. (Art. 156, p. 187; p. 70.)	Compensation (?).
<i>To the Power concerned:</i> Where any Allied or Associated Power, Russia, or a state or government, of which the territory formerly constituted a part of Russia, which has been forced since August 1, 1914, by reason of military occupation or by any other means or for any other cause to grant or allow to be granted concessions, privileges, and favors of any kind to Germany or to a German national, such concession, privilege, and favors are <i>ipso facto</i> annulled. (Art. 293, p. 345; p. 126.)	Compensation (?). (See general provisions of Art. 243, p. 257; p. 94.)
	Seemingly no compensation. (Art. 156 (final paragraph), p. 187; p. 70.)

*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

X. GERMAN PROPERTY TURNED OVER, SURRENDERED, ETC.—Continued.

2. GERMAN PROPERTY, NATIONAL OR PRIVATE, AND RIGHTS THEREIN, SUCH AS NATURAL RESOURCES, ETC.—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

SHIPPING, OCEAN AND INLAND.

*To Allied and Associated Powers:*

All German merchant ships of 1,600 tons gross and upwards.

One-half ( $\frac{1}{2}$ ) such ships, reckoned in tonnage, of ships between 1,000 tons and 1,600 tons gross.

One-quarter ( $\frac{1}{4}$ ) reckoned in tonnage of German steam trawlers.

One-quarter ( $\frac{1}{4}$ ) reckoned in tonnage of other German fishing boats. (Art. 244, Annex III, par. I, p. 277; p. 101.)

These to be transferred entirely, free from all encumbrances, charges, and liens of all kinds. (Id., par. 4, p. 279; p. 102.)

Boats are regarded as German within the above provisions which (a) fly, or may be entitled to fly, the German merchant flag; or (b) are owned by any German national, company, or corporation or by any company or corporation belonging to a country other than an Allied or Associated country and under the control or direction of German nationals; or (c) are now under construction (1) in Germany, (2) in other than Allied or Associated countries for the account of any German national, company, or corporation. (Id., par. 3, pp. 277-279; p. 102.)

Germany agrees to take measures indicated by the Reparation Commission for obtaining full title to the property in all ships which have during the war been transferred, or are in process of transfer, to neutral flags, without the consent of the Allied and Associated Governments. (Id., par. (7), p. 281; p. 103.)

*To the Reparation Commission:*

To make good loss in inland navigation, from whatever cause arising, a portion of the German river fleet, up to the amount of the loss, but not to exceed 20% of river fleet as it existed November 11, 1918. (Art. 244, Annex III, par. 6, p. 281; p. 103.)

*To Allied and Associated Powers:*

A proportion of tugs and vessels remaining registered in the ports of the river systems referred to in Article 331 (the Elbe, Oder, Niemen, and Danube) after deducting those surrendered by way of restitution or reparation. Craft must be provided with fittings and gear, in good state of repair, in condition to carry goods, and selected from those most recently built.

Materials of all kinds necessary to the Allied and Associated Powers concerned for the utilization of those river systems.

Number of craft, amount of material, and distribution determined by arbitrators appointed by the United States. (Art. 339, p. 449; p. 163.)

*To France:*

Tugs and vessels, from among those remaining registered in German Rhine ports after the deduction of those surrendered by way of restitution or reparation, or shares in German Rhine navigation companies, such tugs and vessels, together with their fittings and gear to be in a good state of repair, in condition to carry on commercial traffic on the Rhine, and to be selected from among those most recently built. Amount, specifications, and credit value of (in no case to exceed the capital expended in the initial establishment of the material ceded) such tugs and vessels to be determined by an Arbitrator appointed by the United States. (Art. 357, p. 463; p. 167.)

Installations, berthing, and anchorage accommodations, platforms, docks, warehouses, plant, etc., owned by German subjects or companies in Rotterdam August 1, 1914, and also shares or interests in such installations at the same date, possessed by Germany or German nationals, the credit value thereof to be determined by an Arbitrator appointed by the United States. (Art. 357, p. 463; p. 168.)

CABLES AND TELEGRAPHS.

*To Japan:*

German State submarine cables from Tsingtau to Shanghai, and from Tsingtau to Chefoo, with all the rights, privileges, and properties attaching thereto. (Art. 156, p. 187; p. 70.)

*To Principal Allied and Associated Powers:*

All rights, titles, or privileges of whatever nature belonging to Germany or her nationals, in following submarine cables:

Emden-Vigo: From the Straits of Dover to off Vigo.

Emden-Brest: From off Cherbourg to Brest.

Emden-Teneriffe: From off Dunkirk to off Teneriffe.

Emden-Azores (1): From the Straits of Dover to Fayal.

Emden-Azores (2): From the Straits of Dover to Fayal.

Azores-New York (1): From Fayal to New York.

Azores-New York (2): From Fayal to the longitude of Halifax.

Teneriffe-Monrovia: From off Teneriffe to off Monrovia.

Monrovia-Lome: From about lat. 2° 30' N. long. 7° 40' W. of Greenwich, to about lat. 2° 20' N. long. 5° 30' W. of Greenwich; and from about lat. 3° 48' N. long. 0° 00', to Lome.

Lome-Duala: From Lome to Duala.

Monrovia-Pernambuco: From off Monrovia to off Pernambuco.

Constantinople-Constanza: From Constantinople to Constanza.

Yap-Shanghai, Yap-Guam, and Yap-Menado (Celebes): From Yap Island to Shanghai, from Yap Island to Guam Island, and from Yap Island to Menado. (Art. 244, Annex VII, p. 299; p. 110.)

While boats are for "replacement" of shipping lost, seemingly credit will be given on reparation account. (Art. 236, p. 253; p. 93; Art. 237, p. 253; p. 93; Art. 243 (c), p. 257; p. 95.)

Seemingly credit given on reparation account, as boats go to Reparation Commission. (Art. 236, p. 253; p. 93; Art. 243 (c), p. 257; p. 95.)

Credit given on reparation account. (Art. 339, p. 449; p. 163.)

Credit on reparation account. (Art. 357, p. 463; p. 167.)

Credit on reparation account. (Art. 357, p. 463; p. 167.)

"Free and clear of all charges and encumbrances." (Art. 156, p. 187; p. 70.)

Credit on basis of original cost, less suitable allowance for depreciation, for such cables or parts thereof as are privately owned. (Art. 244, Annex VII, p. 301; p. 110.)



*Table of cessions, renuncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

X. GERMAN PROPERTY TURNED OVER, SURRENDERED, ETC.—Continued.

2. GERMAN PROPERTY, NATIONAL OR PRIVATE, AND RIGHTS THEREIN, SUCH AS NATURAL RESOURCES, ETC.—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

For three months from coming into force of this treaty, Germany will not use the high-power wireless telegraph stations at Nauen, Hanover, and Berlin for transmission of certain messages concerning naval, military, or political questions, without the consent of the Principal Allied and Associated Powers. The use of the stations for commercial purposes will be under the supervision of said governments. (Art. 197, p. 223; p. 83.)

PUBLIC UTILITIES CONCESSIONS.

Germany must acquire (on demand of Reparation Commission) rights and interests of German nationals in any public utility undertaking or in any concession operating in Russia, China, Turkey, Austria, Hungary, and Bulgaria, or in the possessions or dependencies of these States, or in any territory formerly belonging to Germany or her Allies, to be ceded by Germany or her Allies to any Power or to be administered by a Mandatory under the present Treaty, and must if required cede the same to the Reparation Commission, and any similar rights and interests possessed by the German Government itself. (Art. 260, p. 317; p. 116.)

This rule shall apply also to all agreements concluded with German nationals for the construction or exploitation of public works in the German overseas possessions, as well as the subconcessions or contracts resulting therefrom which may have been made to or with such nationals. (Art. 123, p. 171; p. 63.)

Credit on reparation account.  
(Art. 200, p. 317; p. 116.)

XI. GERMANY TO ISSUE BONDS, AND TO DELIVER UP GOLD, CASH DEPOSITS, SECURITIES, CONTROL OF FINANCIAL INSTITUTIONS, ETC.

BONDS.

*For Belgium:*

Bearer bonds, payable in gold marks, on May, 1926, or at the option of the German Government on any May 1 prior to May 1, 1926, for a sum equivalent to the sum Belgium has borrowed from the Allied and Associated Governments up to November 11, 1918, with interest on such sum at the rate of 5 per cent per annum, the amount to be determined by the Reparation Commission. This in addition to compensation for damages and is included in restoration of Belgium. (Art. 232, p. 249; p. 91.)

*For Allied and Associated Countries:*

To facilitate and continue the immediate restoration of the economic life of Allied and Associated countries, the Reparation Commission will take from Germany, by way of security for and acknowledgment of her debt, a first installment of gold bearer bonds free of all taxes and charges of every description established or to be established by Germany, gold bearer bonds as follows (Art. 244, Annex II, par. 12, pp. 267-269; p. 98):

(1) Gold bearer bonds "issued forthwith" for 20,000,000,000 gold marks, without interest, payable not later than May 1, 1921. [These bonds are to be amortized by the payment of 20,000,000,000 marks in gold (or in commodities, ships, securities, or otherwise as the Reparation Commission may determine) during 1919, 1920, and first four months of 1921. (Art. 235, p. 253; p. 93; Art. 244, Annex II, par. 12-c. (1), p. 267; p. 98.)] If any bonds not redeemed, they shall be exchanged for new bonds (p. 267; p. 98).

(2) Gold bearer bonds "issued forthwith," for 40,000,000,000 gold marks, interest at 2½ per cent from 1921-1926, and thereafter at 5 per cent, with 1 per cent additional for amortization after 1925 (p. 267; p. 98).

(3) Undertaking in writing, "delivered forthwith," to issue when Commission is satisfied Germany can meet interest and sinking fund, 40,000,000,000 bearer gold 5 per cent bonds, time and mode of payment of principal and interest to be determined by the Commission (p. 269; p. 99.)

(4) Further issue by way of acknowledgment and security may be required as the Commission subsequently determines from time to time (p. 269; p. 99.)

GOLD.

*To the Principal Allied and Associated Powers,* to be disposed of as they see fit. (Art. 259, p. 315; p. 115.)

(1) Gold deposited in the Reichsbank in the name of the Administration of the Ottoman Public Debt as security for the first issue of Turkish Government notes to be delivered within one month from coming into force of Treaty.

(2) Gold payments for twelve years, as provided in the German Treasury bonds deposited by her in the name of the Council of the Administration of the Ottoman Public Debt as security for the second and subsequent issues of Turkish Government currency notes.

(3) Gold deposit constituted in the Reichsbank or elsewhere representing the residue of the advance in gold agreed to on May 5, 1915, by the Council of the Administration of the Ottoman Public Debt to the Imperial Ottoman Government to be delivered in one month from coming into force of Treaty to such authority as the Principal Allied and Associated Powers may designate.

(4) Any title Germany has to the sum in gold and silver transmitted by her to the Turkish Ministry of Finance in November, 1918, in anticipation of the payment to be made in May, 1919, for the service of the Turkish internal loan.

Credit on reparation account? (Art. 232, p. 249; p. 91; Art. 243 (c), p. 257; p. 95.)

Credit on reparation account? *If bonds, etc., disposed of outright not by way of pledge, to persons other than the several governments in whose favor Germany's original reparation indebtedness was created an amount of such reparation indebtedness shall be deemed to be extinguished corresponding to the nominal value of the bonds, etc., so disposed of outright, and the obligation of Germany in respect of such bonds shall be confined to her liabilities to the holders of the bonds, as expressed upon their face. (Art. 244, Annex II, par. 12 (d), p. 269; p. 99.)*

Credit on reparation account. Sums of money delivered under this article (p. 315; p. 115) to be disposed of as determined by principal Allied and Associated Powers. (Art. 259, p. 315; p. 115.)

*Table of sessions, renouuncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

XI. GERMANY TO ISSUE BONDS, AND TO DELIVER UP GOLD, CASH DEPOSITS, SECURITIES, CONTROL OF FINANCIAL INSTITUTIONS, ETC.—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

(5) Any sums in gold transferred as pledge or as collateral security to the German Government or its nationals in connection with loans made by them to the Austro-Hungarian Government, to be delivered within one month from the coming into force of this treaty.

CASH DEPOSITS AND SECURITIES.

*To France:*

All deposits, credits, advances, effected by virtue of the conventions and agreements between Germany and France of November 4, 1911, and September 28, 1912, relating to Equatorial Africa. (Art. 125, p. 171; p. 64.)

Shares representing Germany's portion of the capital of the State Bank of Morocco, transferred to whomsoever France nominates. (Art. 145, p. 183; p. 68.)

All debts owing for products delivered from Saar Basin area before the entry into possession of the French State, and after the signature of the present Treaty, and all deposits of money made by customers. (Art. 50, Annex, Chap. I, par. 3, p. 71; p. 27.)

Repayment in marks of exceptional war expenditures advanced during the course of the war by Alsace-Lorraine or by public bodies in Alsace-Lorraine, on account of the Empire. (Art. 58, p. 97; p. 36.)

*To Roumania or Principal Allied and Associated Powers:*

All monetary instruments, specie, securities, and negotiable instruments or goods which Germany received under the Treaties of Bucharest and Brest-Litovsk. (Art. 259; p. 317; p. 115.)

*To each Allied or Associated Power:*

All securities, certificates, deeds, or other documents of title held by its nationals and relating to property, rights, or interests situated in the territory of that Allied or Associated Power, including any shares, stock debentures, debenture stocks, or other obligations of any company incorporated in accordance with the laws of that Power; and full information regarding all such property. (Art. 298, Annex, par. 10, p. 383; p. 139.)

Germany undertakes to restore without delay from the date of the coming into force of the present Treaty all articles, money, securities, and documents which have belonged to nationals of the Allied and Associated Powers and which have been retained by the German authorities. (Art. 223, p. 241; p. 89, Part IV, Prisoners of War and Graves.)

Germany undertakes to transfer to the Allied and Associated Powers any claims she may have to payment or repayment by the Governments of Austria, Hungary, Bulgaria, or Turkey, and, in particular, any claims which may arise, now or hereafter, from the fulfillment of undertakings made by Germany during the war to those Governments. (Art. 261, p. 319; p. 116.)

*To Brazil:*

All sums representing the sale of coffee belonging to the State of Sao Paulo in the ports of Hamburg, Bremen, Antwerp, and Trieste, which were deposited with the Bank of Bleichroder at Berlin shall be reimbursed, together with interest, at the rate or rates agreed upon, the reimbursement to be effected at the rate of exchange of the day of deposit. (Art. 263, p. 319; p. 117.)

CONTROL OF FINANCIAL INSTITUTIONS.

Germany renounces all rights accorded to her or her nationals by treaties, conventions, or agreements, of whatsoever kind, to representation upon or participation in the control or administration of commissions, state banks, agencies, or other financial or economic organizations of an international character, exercising powers of control or administration, and operating in any of the Allied or Associated States, or in Austria, Hungary, Bulgaria, or Turkey, or in the dependencies of these States, or in the former Russian Empire. (Art. 258, p. 313; p. 115.)

XII. GERMANY AGREES TO RESTORE PROPERTY SEIZED, OR TAKEN, OR COMING INTO GERMANY'S POSSESSION.

*To Allied and Associated Powers:*

Boats and other movable appliances belonging to inland navigation which since August 1, 1914, have by any means whatever come into her possession or into the possession of her nationals and which can be identified. (Art. 244, Annex III, par. (G), p. 281; p. 103.)

Animals, machinery, equipment, tools, and like articles of a commercial character, seized or taken away by Germany. (Art. 244, Annex IV, par. 2 (a), p. 283; p. 104.)

As immediate advance on account of such animals the following are to be furnished:

*To French Government:*

500 stallions (3 to 7 years);

30,000 fillies and mares (18 months to 7 years), type: Ardennais, Boulonnais, or Belgian;

Credit on reparation account. (Art. 125, p. 171; p. 84; Art. 243 (c), p. 257; p. 94.)

Credit on reparation account. (Art. 145, p. 183; p. 68.)

Credit on reparation account. To be disposed of as Principal Allied and Associated Powers may determine. (Art. 259, p. 317; p. 115.)

Credit on reparation account, probably, but method of accounting to Reparation Commission not clear. (Art. 243, p. 257; p. 94.)

No credit on reparation account. (Art. 243, p. 257; p. 94; Art. 239, p. 255; p. 94.)

No credit on reparation account. (Art. 243, p. 257; p. 94; Art. 238, p. 255; p. 93.)

No credit on reparation account. (Art. 243, p. 257; p. 94; Art. 238, p. 255; p. 93), except to extent animals can not be identified as animals taken away or seized. (Arts. 236, 237, p. 253; p. 93; Art. 244, Annex IV, par. 6, p. 289; p. 105.)



*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

**XII. GERMANY AGREES TO RESTORE PROPERTY SEIZED, OR TAKEN, OR COMING INTO GERMANY'S POSSESSION—Continued.**

Property and rights given up and duties and obligations undertaken by Germany.	Credit allowed for same.
<p><i>To French Government—Continued.</i>            2,000 bulls (18 months to 3 years);            90,000 milch cows (2 to 6 years);            1,000 rams;            100,000 sheep;            10,000 goats.</p> <p><i>To Belgian Government:</i>            200 stallions (3 to 7 years), large Belgian type;            5,000 mares (3 to 7 years), large Belgian type;            5,000 fillies (18 months to 3 years), large Belgian type;            2,000 bulls (18 months to 3 years);            50,000 milch cows (2 to 6 years);            40,000 heifers;            200 rams;            20,000 sheep;            15,000 sows.            (Art. 244, Annex IV, par. 6, p. 289; p. 105.)</p> <p><i>To European Commission of the Danube:</i>            Germany shall make to Commission all restitutions, reparations, and indemnities for damages inflicted on the Commission during the war. (Art. 352, p. 457; p. 166.)</p>	

**XIII. GERMANY UNDERTAKES TO BUILD OR CONSTRUCT TRANSPORTATION FACILITIES, OR TO REFRAIN FROM BUILDING COMMERCIAL UTILITIES**

<p><i>For Czecho-Slovak State:</i>            A railway line between the stations of Schlauney and Nachod in Germany. (Art. 373, p. 479; p. 174.)</p> <p><i>For Account of Allied and Associated Powers:</i>            Ships, tonnage to be laid down in each of five years not to exceed 200,000 tons gross, construction to be in accordance with specifications of Reparation Commission which also determines conditions of building, delivery, price per ton, etc. (Art. 244, Annex III, par. 5, p. 279; p. 102.)</p> <p><i>For Belgium:</i>            A deep-draught Rhine-Meuse navigable waterway, in accordance with plans communicated by Belgian Government, so far as such waterway runs through German territory, if Belgium decides to build the same within 25 years. (Art. 361, p. 467; p. 169.)</p> <p>Germany shall not build any high-power wireless telegraphy stations in her own territory or that of Austria, Hungary, Bulgaria, or Turkey, within a period of three months from the coming into force of this Treaty. (Art. 197, p. 223; p. 83.)</p>	<p>Cost of construction borne by Czecho-Slovak State. (Art. 373, p. 479; p. 174.)</p> <p>Reparation Commission credits price of vessel to Germany's account on her reparation obligations. (See Art. 244, Annex III, par. 5, p. 279; p. 102; also Art. 243 (c), p. 257; p. 95; Art. 236, p. 253; p. 93.)</p> <p>Seemingly no compensation cost of undertaking is divided among States crossed by waterway. (Art. 361, p. 469; p. 170.)</p>
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**XIV. GERMANY UNDERTAKES TO DELIVER NATURAL OR MANUFACTURED PRODUCTS.**

<p><i>To France:</i>            Per year, for three years (options covering) delivered at the French frontier by rail or by water:                Benzol, 35,000 tons.                Coal tar, 50,000 tons.                Sulphate of ammonia, 30,000 tons.            Coal tar, may, at option of French Government, be replaced by corresponding quantities of products of distillation, such as light oils, heavy oils, anthracene, naphthalene, and pitch. (Art. 244, Annex V, par. 8, p. 293; p. 108.)</p> <p>Per year, seven million tons for ten years, and in addition, for ten years, coal equal to the difference between the annual output of the mines of the Nord and Pas de Calais before the war and the output of these mines during the ten years period. In place of coal, metallurgical coke may be accepted in the proportions of 3 tons of coke to 4 tons of coal (Art. 244, Annex V, par. 7, p. 293; p. 107), total delivery not to exceed 20,000,000 tons per year for the first five years, and 8,000,000 tons in any one year of the succeeding five years. (Art. 244, Annex V, par. 2, p. 291; p. 106.)</p> <p><i>To Belgium:</i>            Eight million tons of coal (option covering) annually for ten years with same privileges as to exchanging coal for coke that control with France. (Art. 244, Annex V, par. 3, p. 291; p. 107.)</p> <p><i>To Italy:</i>            Coal (option covering) in the following quantities:                July 1919 to June 1920, four and one-half million tons.                July 1920 to June 1921, six million tons.                July 1921 to June 1922, seven and one-half million tons.                July 1922 to June 1923, eight million tons.                July 1923 to June 1924, and each of the following five years, eight and one-half million tons.            Two-thirds of actual deliveries to be land borne. Coal may be replaced by coke as in case of France. (Art. 244, Annex V, par. 4, p. 291; p. 107.)</p>	<p>Credit on reparation account. (Art. 236, p. 253; p. 93.) The material is to be purchased at a price which shall be the same as that at which they are sold to German nationals. (Art. 244, Annex V, par. 9, p. 295; p. 108.)</p> <p>Credit on reparation account. (Art. 236, p. 253; p. 93.) Coal to be purchased by France under stipulations as to price. (Art. 244, Annex V, par. 6, p. 293; p. 107.)</p> <p>Same conditions that control supply of coal to France. (<i>Supra.</i>)</p> <p>Same conditions that control supply of coal to France. (<i>Supra.</i>)</p>
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*Table of cessions, renunciations, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

XIV. GERMANY UNDERTAKES TO DELIVER NATURAL OR MANUFACTURED PRODUCTS—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

*To Luxemburg:*

Coal (option covering) equal to the prewar annual consumption of German coal in Luxemburg, if Reparation Commission so directs. (Art. 244, Annex V, par. 5, p. 293; p. 107.) Coal may be replaced by coke as in the case of France.

If Reparation Commission determines that full exercise of foregoing options would interfere unduly with industrial requirements of Germany, the commission is authorized to postpone or cancel deliveries, and in so doing to settle all questions of priority; but the coal to replace the coal from destroyed mines shall receive priority over other deliveries. (Art. 244, Annex V, par. 10, p. 295; p. 108.)

*To Reparation Commission:*

Dyestuffs and chemicals (option covering) as commission may designate, up to 50 per cent of the total stock of each and every kind in or under German control at date of coming into force of Treaty. "Dyestuffs and chemical drugs" includes all synthetic dyes and drugs and intermediate or other products used in connection with dyeing. This arrangement also includes cinchona bark and salts of quinine. (Art. 244, Annex VI, pars. 1 and 5, pp. 295-299; pp. 108-109.)

Dyestuffs and chemical drugs each six months until January 1, 1925, up to an amount not exceeding 25 per cent of the German production of such dyestuffs and chemical drugs during the previous six months' period. (Id. par. 2, p. 297; p. 109.)

*To Allied and Associated Powers:*

Reconstruction materials (stones, bricks, refractory bricks, tiles, wood, window glass, steel, lime, cement, etc.), machinery, heating apparatus, furniture, and like articles of a commercial character which Powers desire to have produced and manufactured in Germany and delivered to them to permit of the restoration of invaded areas. (Art. 244, Annex IV, par. 2 (b), pp. 283, 285; p. 104.)

Animals, machinery, equipment, tools, and like articles of a commercial character now in Germany which Governments desire to replace animals and articles of the same nature that have been seized, consumed, or destroyed by Germany or destroyed in direct consequence of military operations. (Art. 244, Annex IV, par. 2 (a), p. 283; p. 104.)

Same conditions that control supply of coal to France. (*Supra*).

Credit on compensation account. (Art. 236; p. 253; p. 93.)

Price fixed by Reparation Commission. (Art. 244, Annex VI, par. 3, p. 297; p. 109.)

Credit on reparation account. (Arts. 236-237, p. 253; p. 93; Art. 244, Annex IV, par. 5, p. 287; p. 105.)

Credit on reparation account. (Arts. 236, 237, p. 253; p. 93; Art. 244, Annex IV, par. 5-6, p. 289; p. 105.)

XV. GERMANY ACCEPTS THE FOLLOWING RESTRICTIONS, GRANTS THE FOLLOWING RIGHTS, AND MAKES THE FOLLOWING OBLIGATIONS AS TO HER EXTERNAL COMMERCE.

*Duties, Charges, Prohibitions, and Restrictions Affecting Allied or Associated States:*

Importations into Germany from any such states, from whatsoever place arriving, of goods, the product or manufacture of such states, shall not be subjected to other or higher duties, including internal charges, or to the maintenance or imposition of other prohibitions and restrictions, than those to which are subjected like goods the produce or manufacture of any other such state or of any other foreign country. (Art. 264, p. 321; p. 117.)

The same principles apply as to exports from Germany and her duties, charges, prohibitions, and restrictions, levied thereon by Germany. (Art. 266, p. 323; p. 117.)

Germany shall not, in administrative régime, make any discrimination against the commerce of any of the Allied and Associated States, as compared with any other of the said states or any other foreign country, even by indirect means. (Art. 265, p. 321; p. 117.)

RECIPROCITY TREATIES.

Every favor, immunity, or privilege in regard to the importation, exportation, or transit of goods granted by Germany to any Allied or Associated State or to any other foreign country whatever shall simultaneously and unconditionally without request and without compensation be extended to all the Allied and Associated States. (Art. 267, p. 323; p. 118.)

CUSTOMS PROVISIONS.

*To France:*

For five years, all natural or manufactured products which both originate in and come from Alsace-Lorraine shall be admitted into German customs territory free of all customs duty. The French Government shall fix the amount of such importations for each year, which shall not exceed annually the average amounts of 1911-1913.

For the same period, Germany shall allow free export from Germany and reimportation to Germany exempt from all customs duties and other charges (including internal charges), yarns, tissues, and other textile materials or textile products of any kind and in any condition sent from Germany into Alsace-Lorraine, to be subjected there to any finishing process, such as bleaching, dyeing, pointing, mercerization, gassing, twisting, or dressing. (Art. 268 (a), p. 323; p. 118; Art. 68, p. 193; p. 39.)

Germany shall establish no railway or canal tariff which directly or indirectly discriminate to the prejudice of the transport of the personnel or products of the Saar mines and their accessories or subsidiaries, or of the material necessary to their exploitation, all of which shall enjoy the rights and privileges which are guaranteed to similar products of French origin. (Art. 50, Annex, Chap. I, par. 6, p. 71; p. 27.)

French customs régime shall apply to the Saar Basin. (Art. 50, Annex, Chap. II, par. 31, p. 85; p. 32.)

Products which both originate in and pass from the basin into Germany shall for five years be free of import duties. (Id.)



*Table of cessions, renouncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

XV. GERMANY ACCEPTS THE FOLLOWING RESTRICTIONS, GRANTS THE FOLLOWING RIGHTS, AND MAKES THE FOLLOWING OBLIGATIONS AS TO HER EXTERNAL COMMERCE—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

*To Poland:*

For a period of three years, the same privileges as to natural or manufactured products from Poland that are granted to France in respect of Alsace-Lorraine (*supra*) with analogous limitations. (Art. 268 (b), p. 325; p. 118.)

*To Luxemburg:*

The Allied and Associated Powers reserve the right to require Germany to accord freedom from customs duty, on importation into German customs territory, to natural products and manufactured articles which both originate in and come from the Grand Duchy of Luxemburg, for five years, subject to certain prescribed limitations as to amounts. (Art. 268 (c), p. 325; p. 119.)

For first six months after Treaty comes into force, German duties on imports from Allied and Associated States shall not be higher than the most favorable duties which were applied to imports into Germany on July 31, 1914. For a further period of thirty months, this provision applies to products which comprised in section A of the First Category of the German Customs Tariff of December, enjoyed rates conventionalized by Treaty (on July 31, 1914) with the addition of all kinds of wine and vegetable oils, of artificial silk, and of washed or scoured wool. (Art. 269, pp. 325-327; p. 119.)

The Allied and Associated Powers reserve the right to apply to German territory occupied by their troops a special customs régime as regards imports and exports, in the event of such a measure being necessary in their opinion in order to safeguard the economic interests of the population of these territories. (Art. 270, p. 327; p. 119.)

*To Morocco:*

Moroccan goods entering Germany shall enjoy the treatment accorded to French goods. (Art. 146, p. 183; p. 68.)

*To Egypt:*

Egyptian goods entering Germany shall enjoy the treatment accorded to British goods. (Art. 154, p. 185; p. 69.)

SHIPPING.

*Allied and Associated Powers:*

Vessels of, entitled to treatment of most-favored nation, in German territorial waters, as regards sea fishing, maritime coasting trade, and maritime towage (Art. 271, p. 327; p. 119), and as to fishing boats all rights of inspection exercised solely by ships belonging to such Powers. (Art. 272, p. 327; p. 119.) These provisions are terminable in five years. (Art. 280, p. 333; p. 122.)

New states without seacoast may have a merchant marine. (Art. 273, pp. 327-329; p. 120.)

UNFAIR COMPETITION.

*Allied and Associated Powers:*

Goods of, to be protected from unfair competition by all legislative and administrative measures necessary, Germany to seize all fraudulently marked as to maker, origin, type, nature, or special characteristics (Art. 274, p. 329; p. 120), with special provisions relating to wines and spirits and their markings. (Art. 275, pp. 329-331; p. 120.)

TREATMENT OF NATIONALS OF ALLIED OR ASSOCIATED POWERS.

All measures relating to occupations, professions, trade, and industry must be equally applicable to all aliens and the same as enjoyed by the nationals of the most-favored nation; and all taxes, charges, and imposts direct or indirect, as to the property, rights, or interests of nationals or companies of such powers, and restrictions, must be those applied to German nationals and none other. (Art. 276, p. 331; p. 121.)

Germany will recognize new nationalities acquired by her nationals under the laws of the Allied and Associated Powers. (Art. 278, p. 333; p. 121.)

Germany will admit and permit to exercise their functions, consuls, appointed by the Allied or Associated Powers. (Art. 279, p. 333; p. 121.)

Germany will extend to nationals of Allied and Associated Powers all rights and advantages of any kind which she has granted to nationals of Austria, Hungary, Bulgaria, or Turkey, by treaties, conventions, or arrangements concluded before August 1, 1914, so long as such treaties, etc., remain in force. (Art. 291, p. 345; p. 125.)

Germany will give to Allied and Associated Powers the benefit *ipso facto* of the rights and advantages of any kind which she has granted by treaties, conventions, or arrangements to non-belligerent states or their nationals since August 1, 1914, until the coming into force of this Treaty, so long as such treaties, conventions, or arrangements remain in force. (Art. 294, p. 347; p. 126.)

XVI. GERMANY ACCEPTS THE FOLLOWING RESTRICTIONS ON HER CONTROL OF INLAND COMMERCE AND NAVIGATION, AND THE INSTRUMENTALITIES THEREOF.

FREEDOM OF TRANSIT.

Germany grants freedom of transit, including crossing of territorial waters by rail, navigable waterways, or canal, to persons, goods, vessels, carriages, wagons, and mails coming from or going to the territories of any of the Allied or Associated Powers, without subjection to any transit duty or undue delay, and to national treatment as regards charges, facilities, and other matters, all charges imposed in traffic to be reasonable and not dependent directly or indirectly on ownership or nationality of the vessel or other vehicle. (Art. 321, p. 435; p. 157.)

*Table of cessions, renouuncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

XVI. GERMANY ACCEPTS THE FOLLOWING RESTRICTIONS ON HER CONTROL OF INLAND COMMERCE AND NAVIGATION, AND THE INSTRUMENTALITIES THEREOF—Continued.

Property and rights given up and duties and obligations undertaken by Germany.

Credit allowed for same.

Goods in transit shall be exempt from all customs and other similar duties. (Art. 321, p. 435; p. 157.)

Transmigration traffic across Germany is to be free and unimpeded. (Art. 322, p. 435; p. 158.)

*Importations and exportations:*

Germany will make no discrimination or preference, direct or indirect, in duties, charges, and prohibitions on goods or persons entering or leaving her territory on account either of origin or destination. (Art. 323, p. 437; p. 158.)

Germany will not establish, as against the ports and vessels of any of the Allied and Associated Powers, any surtax or direct or indirect bounty for export or import by German vessels or ports, or by those of another Power, for example, by means of a combined tariff; and goods or persons passing through ports or by vessels of the Allied and Associated Powers shall be subject to no formality or delay other than is incident to such traffic on German vessels or through German ports. (Art. 323, p. 437; p. 158.)

Germany shall take all necessary administrative and technical measures to expedite transmission and forwarding of Allied and Associated goods, particularly perishable goods, equally with any other goods similarly routed and carried. (Art. 324, p. 437; p. 158.)

Seaports of the Allied and Associated Powers shall enjoy all favors and all reduced tariffs granted on German railways or navigable waterways for the benefit of German ports or the port of another Power. (Art. 325, p. 439; p. 159.) And Germany must participate in the tariffs or combinations of tariffs intended to secure for ports of any Allied or Associated Power advantages similar to those granted by Germany to her own ports or the ports of any other Power. (Art. 326, p. 439; p. 159.)

Nationals, vessels, and property of Allied or Associated Powers shall, without impediment, enjoy in all German ports and on the inland navigation routes of Germany, national treatment in all respects, with complete freedom of access to all places in Germany, and with national treatment as to port and harbor facilities, including stationing, loading and unloading, duties, charges of tonnage, harbor, pilotage, lighthouse, quarantine and all analogous duties. Any preferential régime granted by Germany to any Power is immediately and unconditionally extended to all Allied and Associated Powers. (Art. 327, p. 441; p. 159.)

FREE ZONES.

Existing free zones in ports shall be maintained, and, with others to be established (Hamburg and Stettin, Art. 363, p. 469; p. 170), shall be subject to the Treaty régime. Goods entering or leaving such zones shall be subject to no import or export duty (except they leave the zone for consumption in the country where the zone is situated, or enter the zone for export, when the duties shall be the regular normal import or export duties Art. 330, p. 443; p. 160), except handling charges and specified statistical duty used for defraying the expenses of the port. (Art. 328, p. 441; p. 160.) All goods consumed in the zone shall be free of duty. (Art. 329, p. 443; p. 160.)

The foregoing stipulations and provisions are subject to revision at any time after five years by the Council of the League of Nations. Failing such revision, the privileges may be enjoyed only on a basis of reciprocity, unless the Council extends the period. (Art. 378, p. 481; p. 175.)

INTERNATIONALIZATION OF WATERWAYS.

Rivers Elbe, Vltava, Oder, Niemen (Russgrom-Memel-Niemen), and Danube are, as to certain parts thereof, declared international, and also all navigable parts of these river systems which naturally provide more than one state with access to the sea, together with lateral canals and channels, and any Rhine-Danube navigable waterway. (Art. 331, p. 443-445; p. 161.)

On international waterways, declared by the Treaty, nationals, property, and flags of all nations are on a perfect equality—no distinctions being made between shipping of riparian and nonriparian state to the detriment of the latter, except that Germany may not engage in traffic between the ports of any Allied or Associated Power without the consent of that Power. (Art. 332, p. 445; p. 161.) This article also is subject to review and adjustment by the council of the League of Nations, as above set out. (Art. 378, p. 481; p. 175.) Only maintenance charges may be levied for the use of such waterways (Art. 333, p. 445; p. 161), or for use of port facilities. (Art. 335, p. 447; p. 162.) Riparian states obliged to remove obstacles to navigation (Art. 336, p. 447; p. 162), and to erect no impeding work. (Art. 337, p. 447; p. 162.)

*To France:*

On the French frontiers, subject to the provisions of the Convention of Mannheim, or a substituted Convention, or the stipulations of this Treaty, France has the right to take water from the Rhine to feed navigation and irrigation canals, with the right to execute necessary works on the German banks, and the exclusive right to the power derived from the works of regulation on the river (subject to payment to Germany of half the power actually produced), the exercise of such rights not to impede navigation or involve increase to tolls, Germany undertaking not to allow construction of lateral canals on the right bank opposite French frontiers and recognizing France's right to use lands on right bank for necessary works, compensation being made to Germany therefor. (Art. 358, p. 465; p. 168.)



*Table of cessions, renuncements, grants, deliveries, releases, waivers, recognitions, obligations, and undertakings by Germany, and of compensation for and credits against the same, under the treaty of Versailles—Continued.*

XVI. GERMANY ACCEPTS THE FOLLOWING RESTRICTIONS ON HER CONTROL OF INLAND COMMERCE AND NAVIGATION, AND THE INSTRUMENTALITIES THEREOF—Continued.

Property and rights given up and duties and obligations undertaken by Germany.	Credit allowed for same.
<p><i>To Switzerland:</i> Equivalent rights as to her Rhine frontier if she demands. (Art. 358, p. 465; p. 168.)</p> <p><i>To Belgium:</i> An equivalent right to take water to feed a Rhine-Meuse navigable waterway, if constructed. (Art. 358, p. 465; p. 168.)</p> <p>Germany agrees to offer no objection to extending the jurisdiction of the central Rhine Commission, to designated portions of the Moselle, to additional portions of the upper part of the Rhine, and to lateral canals established to improve naturally navigable sections of the Rhine and Moselle, etc. (Art. 362, p. 469; p. 170.)</p> <p style="text-align: center;">RAILWAY PROVISIONS.</p> <p>German railway lines to carry goods of Allied and Associated Powers, either on through transit across Germany or to a destination in Germany, under the most favorable treatment as to rates, facilities, etc., accorded to any traffic by the railroads under similar conditions of transport, for example, length of route. The same treatment shall be accorded on request of any Allied or Associated Powers to specially designated goods coming from Germany to the Power. International tariffs involving through way bills shall be established. (Art. 365, p. 471; p. 171.) This article also subject to review and adjustment by the Council of the League of Nations as above set out. (Art. 378, p. 481; p. 175.)</p> <p>Germany must cooperate in the establishment of a through ticket service (for passengers and their luggage) which any Allied or Associated Power may require; must accept trains and carriages coming from the territories of such Powers, forward the same at her best speed for long-distance trains, at rates no higher than for German internal service for the same distance. Most favorable tariffs must be applied to emigrant traffic going to or coming from ports of the Allied or Associated Powers. (Art. 367, p. 473; p. 171.)</p> <p>Germany must not apply to such through service, or to emigrant service, any technical, fiscal, or administrative measures, such as customs examinations, general police, sanitary police, and control, which would impede or delay the service. (Art. 368, p. 475; p. 172.)</p> <p>Articles 367, 368 are also subject to review and adjustment by the Council of the League of Nations as above set out. (Art. 378, p. 481; p. 175.)</p> <p>German railway rolling stock must be so fitted with apparatus as to permit their inclusion in trains of such Allied and Associated Powers as are parties to the Berne Convention (May 15, 1886, modified May 18, 1907) without hampering the action of the continuous brake, which may within ten years be adopted by Allied and Associated Powers and the acceptance of Allied and Associated rolling stock in German trains, which rolling stock shall have on the German lines the same treatment as German rolling stock as regards movement, upkeep, and repairs. (Art. 370, p. 475; p. 172.)</p> <p>Germany's railway administration must make arrangements with contiguous states as to the working of interstate railways; if these fail to make an agreement, the points of difference will be settled by a Commission of experts, designated by the Allied and Associated Powers, on which Germany will be represented. (Art. 372, p. 479; p. 173; Art. 371, p. 477; p. 173.)</p> <p>For the present Germany must carry out instructions given her on behalf of the Allied and Associated Powers for the carriage of troops under the provisions of this treaty, and of material, ammunition, and supplies for any use, for the transportation of supplies for certain regions, for the restoration, as rapidly as possible, of the normal conditions of transport, and for the organization of postal and telegraphic services. (Art. 375, p. 481; p. 174.)</p> <p>Disputes between the interested Powers regarding the "interpretation and application of the preceding articles" (seemingly articles 321-375) are to be settled as provided by the League of Nations (Art. 376, p. 481; p. 174), which may at any time "recommend the revision of such of these Articles as relate to a permanent administrative régime." (Art. 377, p. 481; p. 174.)</p> <p style="text-align: center;">KIEL CANAL.</p> <p>Kiel Canal and its approaches must be maintained free and open to vessels of commerce and of war, of all nations at peace with Germany on terms of entire equality. (Art. 380, p. 483; p. 175.)</p> <p>Vessels of all nations to be treated on an absolute equality as to charges and facilities and in all other respects, with vessels of Germany or of the most favored nation, without impediment as to movements of vessels or persons beyond reasonable and necessary police, customs, sanitary, immigration and emigration regulations. (Art. 381, p. 483; p. 175.) Charges levied are to be such only as are necessary for maintenance, improvements, and expenses incurred in the interests of navigation. (Art. 382, p. 485; p. 176) and no other charges shall be levied. (Art. 384, p. 485; p. 176.)</p> <p>Germany is bound to remove obstacles or dangers to navigation, to insure maintenance of good conditions, and not to undertake any works of a nature to impede navigation on the canal or its approaches. (Art. 385, p. 485; p. 176.)</p> <p>Violations of the foregoing or disputes as to the interpretations of these articles are to be referred "to the jurisdiction instituted for the purpose by the League of Nations," but small questions shall be settled in the first instance by a local authority established at Kiel by Germany. Complaints thereto may be presented by the consuls of the interested Power. (Art. 386, p. 485; p. 176.)</p>	

## "MEMORANDUM No. 1.

## "SPECIAL OBLIGATIONS OF GERMANY RELATING TO ALSACE-LORRAINE.

"Shall apply no special measures to German money or monetary instruments current in Alsace-Lorraine. (Art. 57, p. 97; p. 36.)

"Shall refund exceptional war expenditures advanced by Alsace-Lorraine or public bodies therein, beyond a proportional amount based on the ratio of the revenues of the Empire to the revenues of Alsace-Lorraine. (Art. 58, p. 97; p. 36.)

"Restore to Alsace-Lorraine all property rights and interests belonging to them November 11, 1918, and now in Germany. (Art. 60, p. 99; p. 37.)

"Shall bear expense of civil and military pensions earned on November 11, 1918. (Art. 62, p. 99; p. 37.)

"Pay damages for injuries suffered by the civilian population as if Alsace-Lorraine were an Allied or Associated Country. (Art. 63, p. 99; p. 37; Art. 244, Annex I, p. 259; p. 95.)

"For ten years, furnish electrical energy (power) under contracts in force, at a rate not higher than paid by German nationals. (Art. 69, p. 105; p. 39.)

"Property rights of Alsace-Lorrainers dealt with as if they had been during war on part of allied territory. (Art. 73, p. 107; p. 40.)

"France may retain and liquidate all German national and society interests, Germany compensating her nationals. (Art. 74, p. 109; p. 40.)

"France retains exclusive control over all questions of nationality of Alsace-Lorrainers. (Art. 79, Annex, p. 115 et seq.; p. 43 et seq.)

"Germany to cancel any contract notified by French Government between Alsace-Lorrainers and Germans or German States or Empire, save certain contracts partly performed before November 11, 1918; who makes the compensation not specified. (Art. 75, p. 109; p. 41.)

"Alsace-Lorrainers preserve full and entire enjoyment of industrial property rights in Germany. (Art. 76, p. 111; p. 41.)

"France may prohibit—

"Management or exploitation by Germans.

"Ownership of mines and quarries by Germans.

"German participation in metallurgical establishments.

"(Art. 70, pp. 105-107; p. 40.)

"Germany is to pay to the French Government such proportion of all reserves accumulated by the Empire or by public or private bodies dependent upon it, for the purposes of disability and old-age insurance, as would fall to the disability and old-age insurance fund at Strasbourg. The same shall apply in respect of the capital and reserves accumulated in Germany falling legitimately to other social insurance funds, to miners; superannuation funds, to the fund of railways of Alsace-Lorraine, to other superannuation organizations established for the benefit of the personnel of public administrations and institutions operating in Alsace-Lorraine, and also in respect of the capital and reserves due by the insurance fund of private employees at Berlin, by reason of engagements entered into for the benefit of insured persons of that category resident in Alsace-Lorraine. (Art. 77, p. 111; p. 41.)

## "MEMORANDUM No. 2.

## "REDUCTION OF MILITARY, NAVAL, AND AIR FORCES.

## "1. Military Clauses:

"Army must not exceed 100,000 effectives, who must be used only to maintain order in Germany, of whom 4,000 may be officers (Art. 160, p. 191; p. 71), the Army organization, equipment, armament, munitions, and material being specified by provisions and tables in the Treaty. (Arts. 160-162, pp. 191-193; pp. 71-72, and tables following Art. 180, p. 207; p. 77.) Compulsory military service is abolished and hereafter the German Army can be constituted and recruited by voluntary enlistment only. (Art. 173, p. 201, p. 74.) The period of enlistment of noncommissioned officers and privates is twelve consecutive years (Art. 174, p. 201; p. 75), and the period of service for officers is twenty-five consecutive years. (Art. 175, p. 201; p. 75.) Officers remaining in the service must serve till they are 45 years old, and officers previously in the service must not take part in any military exercise, theoretical or practical. (Art. 175, pp. 201-203; p. 75.) Provisions covering allowable military schools are inserted (Art. 176, p. 203; p. 75), and 'Educational establishments, the Universities, societies of discharged soldiers, shooting or touring clubs, and, generally speaking, associations of every description, whatever be the age of their members, must not occupy themselves with military matters. In particular they are forbidden to instruct or exercise their members or allow them to be instructed or exercised in the profession or use of arms.' (Art. 177, p. 203; p. 75.) All measures of or appertaining to mo-

bilization are forbidden. (Art. 178, p. 205; p. 76.) Germany must not send or accredit to any foreign country any naval, military, or air mission, nor allow any such mission to leave her territory, and must prevent her nationals enrolling in the Army, Navy, or Air Service of a foreign power, or being attached thereto as instructors. No Allied or Associated Power must enroll in or attach to their armies or naval or air forces any German national as instructors, but this shall not affect France's right to recruit for the Foreign Legion under her laws. (Art. 179, p. 205; p. 76.) Maintenance of military forces or assembling them, or upkeep of permanent works of mobilization, are forbidden on the left bank of the Rhine or within fifty kilometers of the right bank. (Art. 43, p. 61; p. 24.) All surplus arms, munitions, and war materials, including aircraft, must be surrendered to the Principal Allied and Associated Powers. (Art. 169, p. 199; p. 73.)

## "2. Naval Clauses:

"German naval forces in commission must not exceed after 2 months from coming into force of Treaty, 6 battleships, 6 light cruisers, 12 destroyers, 12 torpedo boats, but no submarines, and an equal number of vessels constructed to replace these (Art. 181, p. 211; p. 78), but replacement ships must not exceed a specified displacement (10,000 tons for armored ships), and except when a ship is lost replacement shall not occur except after 20 years for battleships and cruisers, and 15 years for destroyers and torpedo boats, counting from the launching of the ship. (Art. 190, p. 217; p. 81.) All other warships must be placed in reserve or devoted to commercial purposes. (Art. 181, p. 211; p. 78.) The navy personnel shall not exceed 15,000 officers and men, with a total officers' strength of 1,500, and including naval and military corps or reserves (Art. 183, p. 211; p. 79), all raised by voluntary enlistment, for periods of 25 consecutive years for officers and 12 consecutive years for petty officers and enlisted men; replacements shall not exceed 5 per cent per annum of totals; and no officer or man of the mercantile marine shall receive any training in the Navy. (Art. 194, pp. 219-221; p. 82.) All surface warships not in German ports, and all now interned in neutral ports or in the ports of the Allied and Associated Powers, 'cease to belong to Germany, who renounces all rights over them.' (Art. 184, p. 213; p. 79.) Eight named German battleships, 8 named light cruisers, 42 modern destroyers, and 50 modern torpedo boats chosen by the Principal Allied and Associated Powers. (Art. 185, p. 213; p. 79.) Surface warships now under construction are to be broken up (Art. 186, p. 215; p. 80) and certain named auxiliary cruisers and flat auxiliaries are to be disarmed and treated as merchant ships. (Art. 187, p. 215; p. 80.)

"All German submarines, submarine salvage vessels, and docks for submarines, 'including the tubular dock,' are to be delivered to the Principal Allied and Associated Powers. If any are unfit to proceed under their own power or to be towed to allied ports, they and all others in course of construction are to be broken up. (Art. 188, p. 217; p. 80.)

"No materials derived from any of this breaking up shall be used except for purely industrial or commercial purposes; they may not be sold or disposed of to other countries. (Art. 189, p. 217; p. 81.)

"The construction or acquisition of any submarine even for commercial purposes is forbidden. (Art. 191, p. 219; p. 81.)

## "3. Air Clauses:

"The armed forces of Germany must not include any military or naval air forces and no dirigibles shall be kept. (Art. 198, p. 223; p. 83.) All military and naval aeronautical material (except 100 seaplanes, with a spare engine for each to be used in searching for submarine mines), must be delivered to the Principal Allied and Associated Powers. (Art. 198, p. 223; p. 83.)

"In addition to the foregoing clauses, others in this Part may be noted as follows:

"Within three months Germany must disclose to the Principal Allied and Associated Powers the nature and mode of manufacture of all explosives, toxic substances, and other like chemical preparations used or prepared for use by them in the war. (Art. 172, p. 201; p. 74.)

"Moreover, the importation into Germany and the manufacture for and export out of Germany of all arms, munitions, and war materials (Art. 170, p. 199; p. 74), the manufacture and importation of asphyxiating, poisonous, or other gases, and all analogous liquids, materials, or devices (Art. 171, p. 199; p. 74), the manufacture and importation into Germany of armored cars, tanks, and similar constructions suitable for use in war (id. p. 199; p. 74), the manufacture for and export from Germany of arms, munitions, or naval war material (Art. 192, p. 219; p. 81), and for a period of six months 'the manufacture and



importation of aircraft, engines for aircraft, and parts of engines for aircraft' (Art. 201, p. 225; p. 84) is forbidden.

"All the forgoing clauses are carried out under inter-Allied Commissions (one for military matters, Art. 208, p. 229, p. 85; one for naval, Art. 209, p. 231, p. 86; and one for aeronautics, Art. 210, p. 233, p. 86) whose 'upkeep and cost,' and 'expenses of their work' shall be borne by Germany (Art. 207, p. 229, p. 85), which shall attach a qualified representative to each Commission, and which will give to the Commission 'all necessary facilities for the accomplishment of their missions.' (Art. 206, p. 229, p. 85.) As the end of three months, 'German laws must have been modified and shall be maintained by the German Government in conformity with this part of the present treaty.' (Art. 211, p. 233; p. 87.)

#### "4. Fortifications:

"No fortification on left bank of Rhine nor on right bank within 50 kilometers of the river. (Art. 42, p. 61; p. 23.)

"No fortifications in plebiscite areas of Kreise of Stuhm and Rosenberg and part of Kreise of Mrienburg, if plebiscite gives them to East Prussia. (Art. 97, p. 147; p. 54.)

"Of Heligoland—destroyed—neither they nor any similar works shall be reconstructed. (Art. 115, pp. 165, 167; p. 61.)

"In territory occupied by Allied and Associated troops, disarmed and dismantled, and no new ones erected. (Art. 180, pp. 205-207; p. 76.)

"On east coast of Schleswig, Holstein, and north coast of Mecklenburg, existing fortifications demolished and guns removed, and no guns installed commanding maritime routes. (Art. 195, p. 221; p. 82.)

"Fortifications on southern and eastern frontiers maintained as now. (Art. 180, p. 207; p. 76.)

"Those already established within 50 kilometers of the German coast or on German islands off that coast (other than those specified in Art. 195) considered as of defensive character, and may remain where they are. (Art. 196, p. 221; p. 82.)

#### "5. Evacuation by Military Forces of Germany:

"From Poland, the German plebiscite area, within 15 days of coming into force of Treaty. (Art. 88, Annex I, p. 129; p. 48.)

"From East Prussia—the plebiscite area, within 15 days of coming into force of Treaty. (Art. 95, p. 141; p. 52.)

"From Kreise of Stuhm and Rosenberg and portion of Kreise of Marenburg—a plebiscite area—within 15 days of coming into force of Treaty. (Art. 97, p. 145; p. 54.)

"From Schleswig—designated portion—within 10 days of coming into force of Treaty. (Art. 109, p. 157; p. 58.)

#### "MEMORANDUM No. 3.

"COMMISSIONS AND ANALOGOUS BODIES ESTABLISHED FOR THE CARRYING OUT OF THE TREATY PROVISIONS (EXCEPT THE CLEARING OFFICES, THE REPARATION COMMISSION, AND THE MIXED ARBITRAL TRIBUNAL, WHICH ARE TREATED IN SEPARATE MEMOS.).

#### "1. Belgium Boundary Commission:

"A commission composed of seven persons—five appointed by the Principal Allied and Associated Powers, one by Germany, and one by Belgium—will be set up within 15 days from the coming into force of the present Treaty and will settle on the spot the new frontier lines between Belgium and Germany, taking into account the economic factors and means of communication. Decisions will be taken by a majority and will be binding on the parties concerned. (Art. 35, p. 57; p. 22.)

#### "2. Saar Basin Boundary Commission:

"A commission composed of five members—one appointed by France, one by Germany, and three by the Council of the League of Nations, which will select nationals of other powers—will be constituted within 15 days from the coming into force of the present Treaty, and will trace on the spot the frontier line prescribed by the Treaty, taking into consideration so far as possible local economic interests and existing communal boundaries. The decisions of this commission will be taken by a majority and will be binding on the parties concerned. (Art. 48, p. 67; p. 24.)

#### "3. Saar Basin Governing Commission:

"The government of the territory of the Saar Basin shall be entrusted to a commission representing the League of Nations. This commission shall be composed of five members chosen by the Council of the League of Nations—one to be a citizen of France, one a native of the Saar Basin not a citizen of France, and three members belonging to three countries other than France or Germany. The members are appointed for one year and may be reappointed. They may be removed by the Council of the League of Nations, which will refill the positions so vacated. (Art. 50, Annex, Chap. II, pars. 16, 17, p. 77, 79; p. 29.) The chairman, appointed from the members by the

Council of the League, will act as the executive of the commission. (Id., par. 18, p. 79; p. 30.)

"Within the territory of the Saar Basin the governing commission shall have all the powers of government hitherto belonging to the German Empire, Prussia, or Bavaria, including the appointment and dismissal of officials and the creation of such administrative and representative bodies as it may deem necessary. It shall have full powers to administer and operate the railroads, canals, and the different public services. Its decisions shall be taken by a majority. (Id., par. 19, p. 79; p. 30.)

#### "4. Commission of Experts:

"A commission of three experts—one nominated by Germany, one by France, and one, who will be neither a Frenchman or German, by the Council of the League of Nations—the decisions of the experts to be given by a majority, will determine the price in gold which Germany is to pay for France's right of ownership in the Saar Basin coal mines, which may be situated in such part of the territory of the Saar Basin as the League of Nations may decide favors a union with Germany as the result of the plebiscite to be held 15 years from the coming into force of the treaty. (Art. 50, Annex, Chap. III, pars. 34, 36, pp. 87, 89; pp. 33, 34.)

#### "5. Boundary Commission for Czecho-Slovak State:

"A commission composed of seven members—five nominated by the Principal Allied and Associated Powers, one by Poland, and one by the Czecho-Slovak State—will trace on the spot the frontier line between Poland and the Czecho-Slovak State. The decisions of this commission will be taken by a majority and shall be binding on the parties concerned. (Art. 83, p. 119; p. 44.)

#### "6. Boundary Commission of Poland:

"A commission consisting of seven members—five of whom shall be nominated by the Principal Allied and Associated Powers, one by Germany, and one by Poland—shall delimit on the spot the frontier line between Poland and Germany. The decision of the commission will be taken by a majority of five and shall be binding on the parties concerned. (Art. 87, p. 125; p. 46.)

#### "7. International Commission Exercising Authority over Poland Upper Silesia Plebiscite Area:

"A commission composed of four members designated by the following powers: United States of America, France, the British Empire, and Italy, will exercise authority over the plebiscite area of Upper Silesia. The commission shall enjoy all the powers exercised by the German or the Prussian Government, except those of legislation or taxation, and shall have the competence of interpreting its own powers, with authority to settle all questions arising from the execution of the commission clauses of the Treaty, which decision shall be taken by a majority vote. It shall be assisted by technical advisers chosen by it from among the local population. It shall conduct the plebiscite provided for by the treaty. (Art. 88, Annex, pars. 2, 3, pp. 129, 131; p. 48.)

#### "8. International Commission Exercising Authority over the East Prussia Plebiscite Area:

"A commission composed of five members appointed by the Principal Allied and Associated Powers shall have general powers of administration and in particular will be charged with the duty of arranging for the vote and of taking such measures as it may deem necessary to insure its freedom, fairness, and secrecy. The commission will have all necessary authority to decide any questions to which the execution of these provisions will give rise and will make such arrangements as may be necessary for assistance in the exercise of its functions by officials chosen by itself from the local population. Its decisions will be taken by a majority. After the vote has been taken the Principal Allied and Associated Powers will then fix the frontier between East Prussia and Poland in this region. (Art. 95, pp. 141, 143; p. 52.)

#### "9. Boundary Commission for Free City of Danzig:

"A commission composed of five members, three appointed by the Principal Allied and Associated Powers, including a High Commissioner as president, one appointed by Germany and one by Poland, shall delimit on the spot the frontier of the Free City of Danzig territory, taking into account as far as possible the existing communal boundaries. (Art. 101, p. 151; p. 56.)

#### "10. International Commission to Exercise Authority over the Northern Schleswig Plebiscite Area:

"A commission composed of five members, three designated by the Principal Allied and Associated Powers, one by Norway, and one by Sweden, or in the event of their failing to name the members, these two members also to be chosen by the



Principal Allied and Associated Powers will exercise authority over the Northern Schleswig plebiscite zone.

"The commission will have general powers of administration, with the power to remove and replace German authorities and to take all steps deemed by it necessary to insure the freedom, fairness, and secrecy of the vote. It shall be assisted by German and Danish technical advisers chosen by it from among the local population. Its decisions will be taken by a majority. (Art. 109, pp. 157, 159; p. 58.)

"11. Schleswig Boundary Commission:

"A commission composed of seven members, five of whom shall be nominated by the Principal Allied and Associated Powers, one by Denmark, and one by Germany, shall be constituted within 15 days from the date when the final result of the vote is known, to trace the frontier line on the spot.

"The decisions of the commission will be taken by a majority of votes and shall be binding on the parties concerned. (Art. 111, p. 163; p. 60.)

"12. Military Inter-Allied Commission of Control:

"The Military Inter-Allied Commission of Control will represent the Governments of the Principal Allied and Associated Powers in dealing with the German Government in all matters concerning the execution of the military clauses. (Art. 208, p. 229; p. 85.)

"The number of members composing this commission and its internal procedure are not provided for.

"The members of the commission are appointed by the Principal Allied and Associated Powers. (Art. 203, p. 227; p. 85.)

"13. Naval Inter-Allied Commission of Control:

"The Naval Inter-Allied Commission of Control will represent the Governments of the Principal Allied and Associated Powers in dealing with the German Government in all matters concerning the execution of the naval clauses. (Art. 209, p. 231; p. 86.)

"The members are appointed by the Principal Allied and Associated Powers. (Art. 203, p. 227; p. 85.)

"The method of appointment and provisions for the internal government of the commission are not given.

"14. The Aeronautical Inter-Allied Commission of Control:

"The Aeronautical Inter-Allied Commission of Control will represent the Governments of the Principal Allied and Associated Powers in dealing with the German Government in all matters concerning the execution of the air clauses. (Art. 210, p. 233; p. 86.)

"The members are appointed by the Principal Allied and Associated Powers. (Art. 203, p. 227; p. 85.)

"The number of members or the internal procedure of the commission are not provided for.

"15. Prisoners' Commission:

"A commission composed of representatives of the Allied and Associated Powers on the one part and of the German Government on the other will carry out the repatriation of German prisoners of war and interned civilians.

"For each of the Allied and Associated Powers a subcommission, composed exclusively of representatives of the interested Power and of delegates of the German Government, shall regulate the details of carrying into effect the repatriation of the prisoners of war. (Art. 215, p. 237; p. 88.)

"The repatriation of prisoners of war and interned civilians shall take place as soon as possible after the coming into force of the present treaty and shall be carried out with the greatest rapidity. (Art. 214, p. 237; p. 87.)

"16. Commission on Graves:

"Germany agrees to recognize any commission appointed by an Allied or Associated Government for the purpose of identifying, registering, caring for, or erecting suitable memorials over the graves of soldiers and sailors buried in German territory, and to facilitate the discharge of the duties of such commissions. This provision seems to be reciprocal in favor of Germany. (Art. 225, p. 243; p. 89.)

"17. Commission on Social and State Insurance in Ceded Territory:

"A commission of five members, one appointed by the German Government, one by the other interested Government, and three by the governing body of the International Labor Office from the nationals of other States, shall determine the conditions of transfer of such portions of the reserves accumulated by the Government of the German Empire or of German States, or by public or private organizations under their control, as is attributable to the carrying on of social or State insurance in ceded territory, unless such transfer has been arranged by special convention within three months after the coming into force of the present treaty. (Art. 312, p. 427, 429; p. 155-156.)

"18. International Commission for the Elbe (Labe) River:

"The Elbe (Labe) shall be placed under the administration of an international commission which shall comprise four representatives of the German States bordering on the river, two representatives of the Czecho-Slovak State, one representative of Great Britain, one representative of France, one representative of Italy, and one representative of Belgium. Whatever be the number of members present, each delegation shall have the right to record a number of votes equal to the number of representatives allotted to it. If certain of these representatives can not be appointed at the time of the coming into force of the present Treaty, the decisions of the commission shall nevertheless be valid. (Art. 340, p. 451; p. 164.)

"This commission shall proceed immediately to prepare a project for the revision of existing international agreements and regulations (Art. 343, p. 453; p. 164), which project shall designate the headquarters of the commission, prescribe the manner in which its president is to be nominated, specify the extent of the commission's powers, particularly in regard to the execution of works of maintenance, control, and improvements on the river system, the financial régime, the fixing and collection of charges and regulations for navigation, and shall define the sections of the river or its tributaries to which the international régime shall be applied. (Art. 344, p. 453; p. 165.)

"19. International Commission for the Oder (Odra) River:

"The Oder (Odra) shall be placed under the administration of an international commission which shall comprise one representative of Poland, three representatives of Prussia, one representative of the Czecho-Slovak State, one representative of Great Britain, one representative of France, one representative of Denmark, and one representative of Sweden.

"If certain of these representatives can not be appointed at the time of the coming into force of the present Treaty, the decisions of the commission shall nevertheless be valid. (Art. 341, p. 451; p. 164.)

"This commission shall proceed immediately to prepare a project for the revision of existing international agreements and regulations (Art. 343, p. 453; p. 164), which project shall designate the headquarters of the commission, prescribe the manner in which its President is to be nominated, specify the extent of the commission's powers, particularly in regard to the execution of works of maintenance, control, and river improvements on the river system, the financial régime, the fixing and collection of charges and regulations for navigation, and shall define the sections of the river or its tributaries to which the international régime shall be applied. (Art. 344, p. 453; p. 165.)

"20. International Commission of the Niemen (Russtrom-Memel-Niemen) River:

"Upon request to the League of Nations by any riparian State, the Niemen (Russtrom-Memel-Niemen) shall be placed under the administration of an international commission, which shall comprise one representative of each riparian State and three representatives of other States specified by the League of Nations. (Art. 342, p. 453; p. 164.)

"21. International Commission for the Danube System:

"A commission shall be appointed composed of two representatives of German riparian States, one representative of each other riparian State, and one representative of each non-riparian represented in the future on the European Commission of the Danube, and shall be placed in charge of the administration of the Danube system referred to in Article 331 (p. 443; p. 161.)

"If certain of these representatives can not be appointed at the time of the coming into force of the present Treaty, the decisions of the commission shall nevertheless be valid. (Art. 347, p. 455; p. 165.)

"This commission shall undertake provisionally the administration of the river in conformity with the principles of Articles 332 to 337 (pp. 445-447; pp. 161, 162) until such time as a definite statute regarding the Danube is concluded by the Powers nominated by the Allied and Associated Powers. (Art. 348, p. 455; p. 165.) This conference will be of the Powers nominated by the Allied and Associated Powers. (Art. 349, p. 457; p. 166.)

"22. Commission Free Zones in Northern Ports:

"A commission consisting of one delegate of Germany, one delegate of the Czecho-Slovak State, and one delegate of Great Britain shall decide as to the delimitation of the free zones in Hamburg and Stettin, which Germany shall lease to the Czecho-Slovak State for a period of 99 years (Art. 363, p. 469; p. 170) and the equipment of such areas, their exploitation, and in general all conditions for their utilization, including the amount of



the rental. Such conditions shall be susceptible of revision every 10 years in the same manner and Germany declares in advance that she will adhere to the decisions so taken. (Art. 364, p. 471; p. 170.)

"23. Commission of Experts on Railways:

"Commission of Experts on Railways designated by the Allied and Associated Powers, on which Germany shall be represented, shall as regards railway lines, ceded by Germany to States obtaining part of her territory, where said railway lines have no special rolling stock, fix the proportion of the stock existing on the system to which the lines belong, which Germany shall hand over to the ceded system. These commissions shall also specify the locomotives, 'carriages,' and 'wagons' to be handed over in each case; they shall decide upon the conditions of their acceptance and shall make the provisional arrangement necessary to ensure their repair in German workshops. (Art. 371, p. 477; p. 173.)

"The High Contracting Parties agree that, in the absence of any subsequent agreement to the contrary, the chairman of any commission established by the present Treaty shall in the event of an equality of votes be entitled to a second vote. (Art. 437, p. 533; p. 19.)

"MEMORANDUM NO. 4.

"THE REPARATION COMMISSION.

"1. Constitution and Personnel of the Commission (Art. 244, Annex II, p. 261 et seq.; p. 96, et seq.):

"Each of the Powers named below will appoint one delegate and also one assistant delegate, who takes the delegate's place in case of the latter's illness or necessary absence, the assistant delegate at other times having merely the right to be present at proceedings without taking any part therein.

"These powers are the United States of America, Great Britain, France, Italy, Japan, Belgium, and the Serb-Croat-Slovene State. On no occasion shall more than five of the Powers have the right to take part in the proceedings of the commission and record votes, and the delegates of the United States, Great Britain, France, and Italy shall have the right on all occasions. The delegate of Belgium shall sit whenever the delegate of Japan (who sits on questions relating to damage at sea and the condemnation of concessions in Russia, China, etc., Art. 260, p. 467; p. 116, or the delegate of the Serb-Croat-Slovene State, who sits on questions relating to Austria, Hungary, or Bulgaria) does not sit.

"Any Government represented on the commission may withdraw upon 12 months' notice filed with the commission, the notice being confirmed in the course of the sixth month after the date of the original notice.

"Other interested Allied and Associated Powers may appoint a delegate to be present and act as assessor in respect to that Power's claims and interests when under examination or discussion, but the assessor has no right to vote.

"Proceedings of the commission are private unless the commission otherwise determines.

"There shall be a chairman or vice chairman of the commission holding office for one year and eligible for reelection.

"The German Government will accord to the members of the commission and its authorized agents the same rights and immunities as are enjoyed in Germany by duly accredited diplomatic agents of friendly Powers and will pay the salaries and expenses of the commission and of its staff. (Art. 240, p. 255; p. 94.)

"A member of the commission is responsible to his own Government for his acts of omission or commission, and no Allied or Associated Government assumes any responsibility in respect to any other Government.

"The commission shall be dissolved when all the amounts due from Germany and her Allies under the present Treaty or the decisions of the commission have been discharged and all sums received, or their equivalents shall have been distributed to the Powers interested. (Art. 244, Annex II, par. 23, p. 277; p. 101.)

"Powers and Jurisdiction of the Commission (Art. 244, Annex II, p. 261; p. 96):

"The commission is not bound by any code or rules of law or by any particular rule of evidence of procedure, 'but shall be guided by justice, equity, and good faith.' Cases involving the same principles and rules should be similarly decided. The commission will establish rules relating to methods of proof of claims and will act on any trustworthy modes of computation. (Par. 11.)

"The commission has the right to appoint all necessary officers, agents, and employees requisite for the executions of its functions and fix their remuneration; may constitute committees, whose members need not be members of the commission; take all executive steps necessary for the discharge of

its duties; and delegate authority and discretion to officers, agents, and committees. (Par. 7.)

"The commission shall in general have wide latitude as to its control and handling of the whole reparation problem as dealt with in this part of the present Treaty and shall have authority to interpret its provisions. Subject to the provisions of the present Treaty, the commission is constituted by the several Allied and Associated Governments referred to in paragraphs 2 and 3 above (those appointing delegates and assessors) as the exclusive agency of the said Governments, respectively, for receiving, selling, holding, and distributing the reparation payments to be made by Germany under this part of the present Treaty.' (Par. 12.)

"The Reparation Commission determines the amount of damage for which compensation is to be made by Germany after giving the German Government a 'just opportunity' to be heard (Art. 233, p. 251; p. 92), but Germany may take no part in the decisions of the commission, which shall also afford a similar opportunity to the Allies of Germany when it shall consider that their interests are in question. (Art. 244, Annex II, par. 10, p. 265; p. 97.)

"The following additional functions are worthy of note:

"The Reparation Commission shall—

"Draw up a schedule of payments prescribing the time and manner for securing and discharging the entire obligation within a period of 30 years from May 1, 1921. (Art. 233, p. 251; p. 92.)

"Determine in its discretion when and to what extent the payments of Germany shall be extended or modified (Arts. 233, 234, p. 251; p. 92), and shall hear evidence and arguments on the part of Germany on any questions connected with her capacity to pay. (Art. 244, Annex II, par. 9, p. 265; p. 97.)

"Determine within the limits of rules laid down the amount of bonds or other obligations which Germany shall issue and as to when they shall be issued, which bonds are to be both a guarantee and an acknowledgment of the debt they cover. (Art. 244, Annex II, par. 12, p. 269, et seq.; p. 99.)

"Lay down the procedure under which shall be restored cash and property seized or sequestered by Germany during the war. (Art. 238, p. 255; p. 93.)

"Receive from Germany the merchant ships and fishing boats which she must deliver. (Art. 244, Annex III, p. 277; p. 102.)

"Determines the specifications of the ships to be built by Germany for the account of the Allied and Associated Governments, the conditions under which they are to be built and delivered, the price per ton at which they are to be accounted for by the Reparation Commission, and all other questions relating to the accounting, ordering, building, and delivery of the ships. (Id., p. 279; p. 103.)

"Take title to that portion of the German River fleet which is turned over to make good the losses incurred during the war by the Allied and Associated Powers. (Id., p. 281; p. 103.)

"Consider the lists filed with it by the Allied and Associated Governments showing animals, machinery, equipment, tools, and like articles of a commercial character, which have been seized, consumed, or destroyed by Germany, or destroyed in direct consequence of military operations, which the Governments desire to have restored for meeting their immediate and urgent needs, as also of reconstruction materials (stones, bricks, refractory bricks, tiles, wood, window glass, steel, lime, cement, etc.), machinery, heating apparatus, furniture and like articles which the powers desire to have produced and manufactured in Germany and delivered to them to permit of the restoration of the invaded areas. The commission shall then determine the amount and number of materials and animals mentioned in the lists which Germany is to be required to furnish. (Id., Annex IV, pp. 283, 285; p. 104-105.)

"Give the representatives of the German Government an opportunity and a time to be heard on their ability to furnish such materials, articles, and animals. (Id., p. 287; p. 105.)

"Determine the value to be attributed to such materials, articles, and animals and the amount thereof to be credited against the reparation account. (Id., p. 287; p. 105.)

"Pass upon the amount of coal which Germany should be called upon to furnish under the options granted in the Treaty, as also the replacement of coke for coal, the delivery of benzol, coal tar, and sulphate of ammonia. (Art. 244, Annex V, p. 291, et seq.; p. 106, et seq.)

"Have the right to require the delivery of 50 per cent of the total stock of each and every kind of dyestuff and chemical drug in Germany or under German control at the date of the coming into force of the treaty, the price to be paid for such dyestuffs and so to be credited against the reparation account to be fixed by the commission. (Art. 244, Annex VI, p. 295, et seq.; p. 108.) Germany also agrees to deliver during any six



months period up to January 1, 1925, up to 25 per cent of the German production of such dyestuffs and chemicals produced during the preceding six months, or 25 per cent of the normal production. (Id., par. 2, p. 297; p. 109.)

"Have the power to make exceptions to the priority distribution provided by the Treaty for the revenue of the German Empire and its constituent States. (Art. 248, p. 305; p. 111.)

"Determine the amount of the public debt (Empire or State) which cessionary States shall assume in respect to the territorial areas ceded to them, as also the method of discharging such obligation. (Art. 254, p. 309; p. 113.)

"Fix the value of all State property ceded by the Treaty to the Allied and Associated Powers, which property shall include the private property of the former German Emperor and other royal personages, such value to be paid by the acquiring States to the Reparation Commission for credit on the reparation account in favor of the German Government. (Art. 256, p. 311; p. 114.)

"May demand that the German Government become possessed of rights and interests of German nationals in public utilities and concessions in Russia, China, Turkey, Austria, Hungary, and Bulgaria or in the possessions or dependencies of these States or any territory formerly belonging to Germany or her allies to be ceded by Germany or her allies to any Power or to be administered by a mandatory under the present Treaty; and may require the German Government to transfer all such rights and interests to the Reparation Commission, which shall credit Germany on the reparation account the value of said rights and interests as assessed by itself. (Art. 260, p. 317; p. 116.)

"Is authorized to accept on account of the bill against Germany for the total amount of her damage (which shall be concluded and notified to the German Government on or before May 1, 1921, as representing the extent of the Government's obligations) (Art. 233, p. 251; p. 92) chattels, properties, commodities, businesses, rights, concessions, within or without German territory, ships, bonds, shares or securities of any kind, or currencies of Germany or other States, the value of such substitutes for gold being fixed at a fair and just amount by the commission itself, which shall have due regard in accepting such payments, for any legal or equitable interests of the Allied and Associated Powers or of neutral Powers or of their nationals therein. (Art. 244, Annex II, pars. 19, 20, p. 275; p. 104.)

"Determine the debt Belgium owes to the Allied and Associated Powers, incurred up to November 11, 1918, with interest at 5 per cent, and accept German bonds for this amount. (Art. 232, p. 249; p. 91.)

"Make decisions regarding cancellation of German debt (Art. 234, p. 251, p. 92; Art. 244, Annex II, par. 13, p. 271; p. 99), accompanied by a statement of reasons (Art. 244, Annex II, par. 12 (f), p. 269, p. 99), but any cancellation must be with the specific authority of the several Governments represented upon the commission. (Art. 234, p. 251; p. 92.)

"Require information from German Government relative to financial situation and operation and to the property productive capacity, and stocks and current production of raw materials and manufactured articles of Germany and her nationals, also information regarding military operations. (Art. 240, p. 255; p. 94.)

"Determine credits to be made to Germany on account of transfers, rights, concessions, or other interests not specifically covered. (Art. 243, p. 257; p. 94.)

"Must take bonds and undertakings from Germany as stipulated. (Art. 244, Annex II, par. 12 (c), p. 267; p. 98.)

"May take into account in fixing total amount of debt against Germany, interest due on sums arising out of the reparation of material damages as from November 11, 1918, up to May 1, 1921. (Art. 244, Annex II, par. 16, p. 273; p. 100.)

"Make recommendation of action to be taken against Germany in case of default by Germany in performance of any obligation imposed by Part VIII. (Art. 244, Annex II, par. 17, p. 273; p. 100; and see Art. 430, p. 521; p. 189.)

"Indicate to German Government measures to be taken by it to secure full title to ships transferred to neutral flags during war, or now in process of such transfer without consent of Allied or Associated Governments. (Art. 244, Annex III, par. 7, p. 281; p. 103.)

"Determine amounts representing expenditures by the German Empire or States upon the Government properties referred to in Article 256. (Art. 255, p. 311; p. 113.)

"Determine value of Saar Basin property ceded to France. (Art. 50, Annex, Chap. I, par. 5, p. 71; p. 27.)

"Determine amount of German debt arising from measures adopted by the German and Prussian Governments with a view to German colonization of Poland. (Art. 92, p. 137; p. 51.)

"Approve estimates of French Government relating to deposits, credits, and advances effected under the agreements dealing with Equatorial Africa. (Art. 125, p. 171; p. 64.)

"Determine value of buildings, forests, and other State property which belonged to former Kingdom of Poland. (Art. 92, p. 137; p. 51.)

"Determine value of Germany's portion of the capital of the State Bank of Morocco. (Art. 145, p. 183; p. 68.)

"All proceedings of the commission shall be private, unless on particular occasions the commission shall otherwise determine for special reasons. (Art. 244, Annex II, par. 8, p. 265; p. 97.)

#### "MEMORANDUM No. 5.

##### "CLEARING OFFICES.

"Property, rights, and interests, including pecuniary obligations of German nationals in allied and associated countries and of the nationals of the Allied and Associated countries in Germany.

"[See generally Part X, Sec. III, pp. 347-367, pp. 127-133, and Sec. IV, pp. 367-385, pp. 134-141.]

"First. As to the property of German nationals in Allied and Associated territory:

"Under the Treaty the Allied and Associated Powers reserve the right to retain and liquidate all property, rights, and interests belonging at the date of the coming into force of the present Treaty to German nationals, or companies controlled by them, within their territories, colonies, possessions, and protectorates, including territory ceded to them by the present Treaty, this liquidation to be carried out in accordance with the laws of the allied or associated state concerned, the price to be fixed in accordance with the methods of sale or valuation adopted by the laws of the country in which the property has been retained or liquidated. Proceeds of industrial property dealt with in the same way, unless legislation in force at the time of signature of treaty, otherwise directs. (Art. 306, p. 417; p. 152.) The German owner shall not be able to dispose of his property, right, or interests, nor to subject them to any charge without the consent of the State in which the property is located. (Art. 297 (b), p. 367; p. 134.)

"The Treaty also provides that as between the Allied and Associated Powers or their nationals on the one hand and Germany or her nationals on the other hand all the exceptional war measures or measures of transfer (both of which terms are defined in the Treaty, see Art. 298, Annex, par. 3 and 4, p. 377, 379, p. 138, and cover roughly activities such as those of the Alien Property Custodian in the United States) or acts done or to be done in execution of such measures as defined in paragraphs 1 and 3 of the Annex to Article 298 (pp. 375-377; pp. 137-138) shall be considered as final and binding upon all persons except as regards the reservations laid down in the Treaty.

"Paragraph 1 (p. 375; p. 137) of the Annex above mentioned amplifies this confirmation of the exceptional war measures or measures of transfer by the powers (and as to the provisions of paragraph 1, of Germany also). Paragraph 2 (p. 377; p. 137) provides further that no claim or action shall be made or brought against any Allied or Associated Power or against any person acting on behalf of or under the direction of any legal authority or department of the Government of such a Power by Germany or by any German national wherever resident in respect of any action or omission with regard to his property, right, or interests during the war or in preparation for the war. Similarly no claim or action shall be made or brought against any person in respect of any act or omission under or in accordance with the exceptional war measures, laws, or regulations of any Allied or Associated Power.

"The property, rights, and interests of German nationals will continue to be subject to exceptional war measures that have been or will be taken with regard to them pursuant to the authorization above recited until the complete liquidation therein contemplated has been completed. (Art. 298, Annex, par. 9, p. 381; p. 139.)

"Furthermore all investments wheresoever effected with the cash assets of the nationals of the Allied and Associated Powers and Germany, including companies and associations in which such nationals were interested, by persons responsible for the administration of enemy property or having control over such administration or by order of such persons or of any authority whatsoever, shall be annulled. These cash assets shall be accounted for irrespective of any such investments. (Art. 298, Annex, par. 12, p. 383; p. 140.)

"Again compensation in respect of damages or injuries inflicted upon the property of the nationals of Allied and Associated Powers in Germany may be charged upon the property of German nationals within the territory or under the control of the creditor national's State. This German property may



be constituted as a pledge for enemy liabilities under the conditions fixed by paragraph 4 of the Annex hereto. The payment of the compensation may be made by the Allied or Associated State and the amount will be debited to Germany. (Art. 297 (e), p. 369; p. 134.)

"Finally Germany undertakes to compensate her nationals in respect of the sales or retention of their property, rights, or interests in Allied or Associated States. (Art. 297 (1), p. 373, p. 136.)

"Second. The property of the nationals of Allied and Associated Powers of Germany:

"In the first place the exceptional war measures and measures of transfer (defined as already indicated), taken by Germany with respect to the property, rights, and interests of the nationals of Allied and Associated Powers including companies and associations in which they are interested, *when liquidation has not been completed*, shall be immediately discontinued or stayed and the property, rights, and interests concerned restored to their owners who shall enjoy full rights therein as provided in the Treaty. (Art. 297 (a), p. 367; p. 134.)

"As to the confirmation (of paragraph 1 of the Annex to Art. 298, p. 375; p. 137) of the complete acts of the German Government instrumentalities (equivalent to the American Alien Property Custodian) there is this proviso: This confirmation will not apply to such of the measures mentioned as have been taken by the German authorities in invaded or occupied territory, nor to such of the mentioned measures as have been taken by Germany or the German authorities since November 11, 1918, all of which shall be void. (Art. 298, Annex, par. 1, p. 377; p. 137.)

"As to the property and rights of the nationals of the Allied or Associated Powers within whose territory legislative measures prescribing the general liquidation of enemy property, rights, or interests were not applied before the signature of the armistice the following procedure may be had. (Art. 297 (f) (g), pp. 369-371; p. 135.)

"Whenever a national of such a power is entitled to property which has been subjected to a measure of transfer in German territory, and expresses a desire for its restitution, his claim for compensation shall be satisfied by the restitution of the said property, if it still exists in specie, free from any encumbrances or burdens with which it may have been charged after the liquidation, all third parties injured by the restitution being indemnified. Allied and Associated Powers must specify the property, rights, and interests as to which they intend to exercise this right of restitution which will be carried out by order of the German Government or of the authorities which have been substituted for it. (Art. 298, Annex, par. 7, p. 381; p. 139.)

"As to all such property, rights, and interests so restored Germany undertakes to restore and maintain such property in the legal position obtaining in respect of the property, rights, and interests of German nationals under the laws in force before the war, and not to subject any such property, rights, or interests to any measures in derogation of property rights which will not apply equally to property, rights, and interests of German nationals and to pay adequate compensation in the event of the application of these measures. (Art. 298, p. 373; p. 136.) These provisions apply also to property as to which exceptional war measures of transfer have been discontinued.

"Furthermore, the nationals of Allied and Associated Powers shall be entitled to compensation in respect of damages or injury inflicted upon their property, rights, or interests, including any company or association in which they are interested in German territory as it existed on August 1, 1914, by the application either of the exceptional war measures or measures of transfer mentioned in paragraphs 1 and 3 of the Annex hereto. The claims made in this respect by such nationals shall be investigated and the total of the compensation shall be determined by the Mixed Arbitral Tribunal provided for in Section VI of Part X or by an arbitrator appointed by that tribunal. (Art. 297 (e), p. 369; p. 134.)

"Finally, Germany must, within six months from the coming into force of the present Treaty, deliver to each Allied or Associated Power all securities, certificates, deeds, or other documents of title held by its nationals and relating to property, rights, or interests situated in the territory of that Allied or Associated Power, including any bonds, stocks, debentures, debenture stocks, or other obligations of any company incorporated in accordance with the laws of that power. (Art. 298, Annex, par. 10, p. 383; p. 139.)

"In brief, Germany is to cease all exceptional war measures and measures of transfer and restore to the nationals of the Allied and Associated Powers their property affected thereby; is to restore any of their property still existing in specie; is to grant compensation for all damages or injuries inflicted upon their property; and is to deliver to each of the Powers the

securities held by Germans of any company created under the laws of the Power.

"Third. Disposition of the proceeds of enemy property:

"The net proceeds of the sales of enemy property, rights, or interests wherever situated carried out either by virtue of war legislation or by the application of the provisions of Article 297, and in general all cash assets of enemies shall be dealt with as follows:

"Two plans are provided—one for those not adopting the provisions of Section III and the Annex thereto (Part X) and the other that provided for by said section. (Art. 297 (h-1, 2) p. 371; p. 135.)

"A. Plan to be followed by those not adopting Section III of Part X:

"(1) Property of the nationals of Allied or Associated Governments held by Germany.

"The proceeds of property, rights, and interests and the cash assets of the nationals of Allied or Associated Powers held by Germany shall be paid immediately to the person entitled thereto or to his Government. (Art. 297 (h-2), p. 371; p. 135.)

"(2) Property of German nationals held by Allied or Associated Powers.

"The proceeds of property, rights, and interests and the cash assets of German nationals received by an Allied or Associated Power shall be subject to disposal by such power in accordance with its laws and regulations and may be applied in payment of claims and debts defined by this article or paragraph 4 of the Annex hereto. (Art. 297 (h-2), p. 371; p. 135.)

"The provisions of paragraph 4 referred to are as follows:

"All property, rights, and interests of German nationals within the territory of any Allied or Associated Power and the net proceeds of their sale, liquidation or other dealing therewith may be charged by that Allied or Associated Power in the first place with payment of amounts due in respect of claims by the nationals of that Allied or Associated Power with regard to their property, rights, and interests, including companies and associations in which they are interested in German territory, or debts owing to them by German nationals, and with payment of claims growing out of acts committed by the German Government or by any German authorities since July 31, 1914, and before that Allied or Associated Power entered into the war. The amount of such claims may be assessed by an arbitrator appointed by Mr. Gustave Ador, if he is willing, or if no such appointment is made by him, by an arbitrator appointed by the Mixed Arbitral Tribunal provided for in Section VI. They may be charged in the second place with payment of the amounts due in respect of claims by the nationals of such Allied or Associated Power with regard to their property, rights, and interests in the territory of other enemy powers, in so far as those claims are otherwise unsatisfied." (Art. 298, Annex, par. 4, p. 379; p. 138.)

"Any property, rights, and interests or proceeds thereof or cash assets not used as above provided may be retained by the said Allied or Associated Power, and if retained the cash value thereof shall be dealt with as provided in Article 243 (p. 257; p. 94)—that is to say, it will be credited to Germany in respect of her reparation obligations. (Art. 297 (h-2), p. 371; p. 135; and see Arts. 242, 243, p. 257; p. 94.)

"Liquidation effected in new States signatories of the present Treaty or in States which are not entitled to share in the reparation payments to be made by Germany. The proceeds of liquidations effected by such States shall, subject to the rights of the Reparation Commission under the present Treaty, particularly under Articles 235 (p. 253; p. 93) and 260 (p. 317; p. 116), be paid direct to the owner. If the owner be not satisfied and apply to the Mixed Arbitral Tribunal, such tribunal shall itself or by an arbitrator examine the case and if satisfied that the conditions of the sale or measures taken by the Government of the State in question outside its general legislation were unfairly prejudicial to the price obtained shall have discretion to award to the owner equitable compensation to be paid by that State. (Art. 297 (h-2), p. 373; p. 136.)

"B. Powers adopting Section III (p. 347; p. 127) and the Annex thereto proceed as follows:

"It is in the first place to be observed that this section is entitled 'Debts' and apparently relates, primarily at least, only to the settlement and adjustment of debts between German nationals and the nationals of Allied and Associated Powers. It does not appear clear in what manner property, rights, and interests other than debts, which are covered by Section IV, which follows (p. 367; p. 134), are to be adjusted under Section III, although the plan for adjustment under Section IV is reasonably clear, and it seems in contemplation (Art. 296, p. 349; p. 127) that such property, rights, and interests mentioned in Section IV shall be accounted for under this procedure. Moreover, the class of debts which may be adjusted under this section are confined to the following (Art. 296, p. 347; p. 127):

"1. Debts payable before the war and running from a national of one of the Contracting Powers residing within its territory and due to a national of an Opposing Power residing within its territory;



"2. Debts which became payable during the war to nationals of one of the Contracting Powers residing within its territory and arose out of transactions or contracts with the nationals of an Opposing Power, resident within its territory, of which the total or partial execution was suspended on account of the declaration of war;

"3. Interest which has accrued due before and during the war to a national of one of the Contracting Powers in respect of securities issued by an Opposing Power, provided that the payment of interest on such securities to the nationals of that Power or to neutrals has not been suspended during the war;

"4. Capital sums which have become payable before and during the war to nationals of one of the Contracting Powers in respect of securities issued by one of the Opposing Powers, provided that the payments of such capital sums to nationals of that Power or to neutrals has not been suspended during the war.

"The settlement of these debts is accomplished under the following principles and plan:

"A. Each Government guarantees the payment of all such debts of its nationals except where the debtor was in a state of bankruptcy before the war or had given formal indication of insolvency or where the debt was due by a company whose business had been liquidated under emergency legislation during the war. This does not apply to territory invaded or occupied by the enemy before the armistice. (Art. 296 (b), p. 349; p. 127.) This guaranty is effective whenever for any reason a debt is not recoverable because of the reasons above mentioned or where the debt has been barred by the statute of limitations in force in the debtor's country. (Id., Annex, par. 4, p. 355; p. 129.)

"Within six months of the establishment of the Clearing Office, creditors must give notice of debts due them, and shall furnish the office with any document and information required of them. (Art. 296, Annex, par. 5, p. 355; p. 129.)

"A debtor Clearing House must credit a Creditor Clearing House with every debt admitted by the debtor even though it be unable to collect it. The Government concerned will, nevertheless, invest their respective Clearing Offices with all necessary powers for the recovery of debts which have been admitted. (Id., par. 14, p. 359; p. 131.)

"B. Each of the High Contracting Parties shall prohibit, as from the coming into force of the present Treaty, both the payment and the acceptance of payment of such debts and also of communications between the interested parties with regard to the adjustment of said debts otherwise than through the Clearing Offices to be established. (Art. 296 (a), p. 349; p. 127.) Violations of this prohibition shall be punished with the same penalties which are provided by legislation for trading with the enemy (id., Annex, par. 3, p. 353; p. 129), and the parties to the Treaty agree to take all suitable measures to trace and punish collusion between enemy creditors and debtors and to communicate one with another any evidence and information which might help the discovery and punishment of such collusion. (Id., Annex, par. 5, p. 355; p. 129.) Moreover, each country must prohibit within its territory all legal processes relating to the payment of enemy debts except in accordance with the provisions of the Treaty. (Id., par. 3, p. 353; p. 129.)

"C. Each country shall establish a Clearing Office for the collection and payment of debts due to its nationals and for the collection for payment of debts due from its nationals to nationals of the opposing party. (Art. 296, Annex, par. 1, p. 353; p. 128.) It moreover appears that by agreement between the Allied and Associated Powers, these Clearing Offices may similarly act with reference to the nationals of one resident in the other; that is, an American Clearing Office could act in the settlement of a debt running from a German to a Frenchman resident in the United States. (Art. 296 (f), p. 353; p. 128.)

"In appointing the personnel of a Clearing Office or of the Mixed Arbitral Tribunal due regard shall be paid to the knowledge possessed by the personnel of the language of the other country concerned. (Id., Annex, par. 21, p. 363; p. 132.)

"D. Each Clearing Office is both a debtor Clearing Office and a creditor Clearing Office. As a creditor Clearing Office it notifies the Clearing Office of the other country (which for this purpose is a debtor Clearing Office) of all the debts which have been declared against the other Clearing Office. (Id., Annex, par. 5, p. 355; p. 129.) As a debtor Clearing Office it informs the Clearing Office of the other country (which for that purpose is a creditor Clearing Office) of all debts which have been admitted and of debts which are contested, in the latter case giving the grounds for the nonadmission of the debts. (Id.)

"Or, differently stated, the American Clearing Office notifies the German Clearing Office of all debts claimed by American citizens against Germans and of all claims admitted by American citizens in favor of Germans; and the German Clearing

Office notifies the American Clearing Office of all debts admitted by Germans in favor of Americans and of all claims made by Germans against Americans.

"If any person makes a claim which in whole or in part is not admitted, he must pay by way of fine, interest at 5 per cent on the part not admitted. If any person denies liability of the whole or part of a debt claimed he shall pay by way of fine interest at 5 per cent on the amount with regard to which his refusal is disallowed. (Id., par. 10, p. 357; p. 130.) The amount recovered from these fines applies on the expenses of the Clearing Office. (Id.)

"Where any debt is not admitted in whole or in part, the two Clearing Offices (debtor and creditor) examine the matter jointly and endeavor to bring the parties to an agreement. (Id., par. 8, p. 357; p. 130.) Seemingly, if creditor and debtor are unable to reach an agreement, the two Clearing Offices may undertake to reach an agreement. (Id., par. 16, p. 361; p. 131.)

"If the Clearing Offices do not reach an agreement, the dispute shall be either referred to arbitration on terms agreed to by the parties or referred to the Mixed Arbitral Tribunal provided for in the Treaty. However, if the creditor Clearing Office so requests, the dispute shall be submitted to the jurisdiction of the courts of the place of domicile of the debtor (that is, an American claim would go to the German courts). (Id., par. 16, p. 361; p. 131.) Sums found due by the Mixed Arbitral Tribunal or by the court or the tribunal agreed to by the parties shall be recovered through the Clearing Office, as if the sums were debts admitted by the debtor Clearing Office. (Id., par. 17, p. 361; p. 132.) In case an appeal is taken to the Mixed Tribunal from a decision of the Clearing Office, the appellant shall make a deposit against the costs. A fee of 5 per cent of the amount in dispute shall be charged in respect of all cases brought before the Mixed Tribunal and shall unless the tribunal directs otherwise be borne by the unsuccessful party. 'Such fee shall be added to the deposit referred to.' (Id., par. 20, p. 363; p. 132.)

"If the Clearing Offices or the Mixed Arbitral Tribunal hold that the claim does not fall within Article 296 (p. 347; p. 127), the creditor may prosecute the claim before the courts or otherwise as he may wish. (Id., par. 23, p. 365; p. 133.)

"Persons who have suffered injuries from acts of war and who admit owing debts shall not have their debts charged against them until the compensation due to such persons concerned in respect of such injuries has been paid. (Id., par. 14, p. 359; p. 131.)

"Unless an agreement otherwise is reached by the Governments concerned, debts shall carry interest in accordance with rules set out in the Treaty. (Id., par. 22, p. 363; p. 133.)

"Balances between the Clearing Offices shall be struck monthly and the credit balance paid in cash by the debtor State within a week. (Id., par. 11, p. 359; p. 131.)

"Statutes of limitation are suspended from the time of the presentation of the claim to the Clearing Office. (Id., par. 23, p. 365; p. 133.)

"Each Government defrays the expenses of the Clearing Office set up in its territory, including the salaries of the staff. (Id., par. 15, p. 361; p. 131.) Fines that may be levied (as above provided) are credited by the Clearing Office collecting them, which is responsible therefor to the other Clearing Office 'which shall retain them as a contribution towards the costs of carrying out the present provisions.' (Id., par. 10, p. 357; p. 130.) The expenses for postal and telegraphic communication through the intervention of the Clearing Offices by the debtors and creditors desirous of coming to agreement as to the amount of their debts shall be borne by the parties concerned. (Id., par. 5, p. 355; p. 129.)

"Debts shall be paid or credited in the currency of such one of the Allied and Associated Powers, their colonies or protectorates, of the British Dominions, of India, as may be concerned. If the debts are payable in some other currency, they shall be paid or credited in the currency of the country concerned, whether Allied or Associated Power, colony, protectorate, British Dominion, or India, at the prewar rate of exchange, which the treaty defines. If a contract provides for a fixed rate of exchange in the transaction, then the above provisions concerning the rate of exchange shall not apply. (Art. 296 (d), p. 351; p. 128.)

"The foregoing provisions may, however (as to matters provided for in Art. 297), be rendered inapplicable by notice to that effect to Germany on the part of the Allied or Associated Power concerned within six months of the coming into force of the present treaty. (Art. 296 (e), p. 351; p. 128.)

"The creditor Clearing Office pays to the individual creditor the sums due him out of the funds placed at its disposal by its own Government. (Art. 296, Annex, par. 9, p. 357; p. 130.)



## "MEMORANDUM NO. 6.

## "MIXED ARBITRAL TRIBUNAL.

"[Art. 304, and Annex, pp. 409-415; pp. 149-151.]

"Within three months of the coming into force of this treaty, the Mixed Arbitral Tribunal shall be established by each of the Allied and Associated Powers on the one hand and Germany on the other. Each tribunal is to consist of three members, one appointed by Germany, one appointed by the Allied and Associated Powers concerned, and the third, who is to be the president of the tribunal, shall be chosen by agreement of the two Governments, or that failing, by the Council of the League of Nations, and until that is set up, by M. Gustave Ador. The Council of the League and Mr. Ador shall name two other persons who may take the place of the president in case of need, and all three persons named by either of them must be nationals of powers who were neutral during the war.

"Where the number of cases before a tribunal justifies it, the personnel may be increased, and the tribunal may then sit in divisions.

"In case vacancies in personnel are not filled by the Governments concerned within one month, the members shall be chosen by the other Government from the two persons named as alternates for the presidency.

"Decisions shall be reached by a majority vote and shall be final.

"The jurisdiction of the tribunal shall relate to cases coming up to it from the Clearing Offices (provided for in Part X, Section III); cases in reference to compensation for damage done to nationals of the Allied or Associated Powers in Germany and also the adjustment of claims of nationals of new States and of States not entitled to share in the reparation payments made by Germany, and to cases arising under Sections V and III of Part X, none of which latter concern the United States because of reservations made in the Treaty.

"Each tribunal determines its own procedure, except as provided in the Annex to Article 304, which establishes the tribunal.

"Each Government pays the expenses of its own representative upon the tribunal and a proportionate part of the joint expenses, including the compensation, etc., of the president.

"The national courts of each of the parties are required to render all assistance in their power, particularly as regards transmitting notices and collecting evidence.

"There are no rules of law laid down by which the tribunals are to be guided, and the procedure is practically unprovided for on all matters pertaining thereto, except that it is stipulated that 'The tribunal shall decide all questions and matters submitted upon such evidence and information as may be furnished by the parties concerned.'

"The language in which the proceedings shall be conducted shall unless otherwise agreed be English, French, Italian, or Japanese, as may be determined by the Allied or Associated Power concerned.

## "MEMORANDUM NO. 7.

## "ADDITIONAL CONVENTIONS OR AGREEMENTS TO BE MADE.

"1. A further agreement to be made between France and Germany, dealing with the interests of the inhabitants of territories ceded to Germany in 1871. (Art. 53, p. 93; p. 35.)

"2. A special convention to determine the conditions for repayment, in marks, of the exceptional war expenditures advanced during the course of the war by Alsace-Lorraine, or by public bodies in Alsace-Lorraine. (Art. 58, p. 97; p. 36.)

"3. A special convention between France and Germany which shall be submitted to the approval of the Central Rhine Commission to fix the details particularly as regards financing of the administration of the port of Strasbourg and the port of Kehl. (Art. 65, p. 101; p. 38.)

"4. An agreement establishing frontier railway stations, it being stipulated in advance that on the Rhine frontier they shall be situated on the right bank. (Art. 67, p. 103; p. 39.)

"5. A special convention to determine the conditions and procedure of transferring of funds covering social insurance from the German Government to the French Government. (Art. 77, p. 111; p. 42.)

"6. A special convention between France and Germany, settling all questions not covered by the Treaty, as to competence, procedure, or administration of justice. (Art. 78, p. 113; p. 42.)

"7. Further convention between France and Germany covering all questions concerning Alsace-Lorraine, which are not regulated by Section V, and the Annex thereto of Part III, or by the general provisions of the Treaty. (Art. 79, p. 113; p. 42.)

"8. Subsequent agreements to decide questions not decided by the present Treaty which may arise in consequence of the

cession of German territory to the Czecho-Slovak State. (Art. 86, p. 123; p. 46.)

"9. A treaty between the Czecho-Slovak State and the Principal Allied and Associated Powers, containing the provisions deemed necessary by the Powers to protect the inhabitants of the Czecho-Slovak State who differ from the majority of the population in race, language, or religion. (Art. 86, p. 123; p. 46.)

"10. A treaty between the Czecho-Slovak State and the Principal Allied and Associated Powers, containing such provisions as the Powers deem necessary to protect freedom of transit and equitable treatment of the commerce of other nations. (Art. 86, p. 123; p. 46.)

"11. A treaty between Poland and the Principal Allied and Associated Powers containing provisions deemed necessary by the Powers to protect the interests of the inhabitants of Poland who differ from the majority of the population in race, language, or religion. (Art. 93, p. 139; p. 52.)

"12. A treaty between Poland and the Principal Allied and Associated Powers containing the provisions deemed necessary by the Powers to protect freedom of transit and equitable treatment of the commerce of other nations. (Art. 93, p. 139; p. 52.)

"13. Convention between Germany and Poland (differences to be settled by the Council of the League of Nations) securing to Germany and to Poland, respectively, full and adequate railroad, telegraphic, and telephonic facilities over one another's territories. (Art. 98, p. 147; p. 55.)

"14. An agreement between the Principal Allied and Associated Powers of the one part, the Polish Government of another part, and the Free City of Danzig of a third part, relating to customs, use of waterways, docks, basins, wharves, etc., railway administration, postal, telegraphic, and telephonic communications; to provide against discrimination within the Free City of Danzig to the detriment of citizens of Poland, and other persons of Polish origin or speech; to provide that the foreign affairs of the Free City of Danzig shall be taken care of by the Polish Government. (Art. 104, p. 153; p. 57.)

"15. Further agreements to settle all other questions which may arise from the cession of territory made by Germany to the Principal Allies and Associated Powers, in establishing the Free City of Danzig. (Art. 108, p. 155; p. 58.)

"16. International agreements between the Allied and Associated Powers and the Grand Duchy of Luxembourg, fixing their relations. (Art. 40, p. 61; p. 23.)

"17. Special agreements regarding the interest on debts (these not necessarily entered into.) (Art. 296, Annex, par. 22, p. 363; p. 133.)

"18. Special conventions between the German Government and the Governments concerned covering social and State insurance in ceded territory. (Art. 312, p. 427; p. 156.)

"19. General convention drawn up by the Allied and Associated Powers, and approved by the League of Nations, relating to waterways recognized in such convention as having international character. (Art. 338, p. 449; p. 163.)

"20. Régime for the Danube, formulated by a conference of the Powers. (Art. 349, p. 457; p. 166.)

"21. Revision of the convention of Mannheim. (Art. 354, p. 459; p. 166.)

"22. A new convention to replace the Berne convention of 1890, covering the transportation of passengers, luggage, and goods by rail. (Art. 366, p. 473; p. 171.)

"23. General conventions regarding the international régime of transit, waterways, ports, or railways, which may be concluded by the Allied and Associated Powers with the approval of the League of Nations. (Art. 379, p. 483; p. 175.)

"24. Subsequent agreements covering all matters, not covered by the present Treaty, relating to the occupation of German territory by troops of the Allied and Associated Governments. (Art. 432, p. 521; p. 189.)

"(And see Table, Section VIII, Germany consents beforehand to any other treaties which the Allied or Associated Powers may make.)

## "MEMORANDUM NO. 8.

## "CONVENTION OR AGREEMENTS MADE BUT NOT SUBMITTED.

"The agreement for the division by the Allied and Associated Governments, in determined proportions, of the sums paid by Germany in satisfaction of claims. (Art. 237, p. 253; p. 93.)

"2. Convention relative to aerial navigation concluded between the Allied and Associated Powers. (Art. 319, p. 433; p. 157.)"

## CALLING OF THE ROLL.

Mr. NUGENT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Capper	Jones, Wash.	Owen	Sterling
Chamberlain	King	Page	Sutherland
Colt	Kirby	Pittman	Thomas
Cummins	Lenroot	Polindexter	Trammell
Curtis	McCormick	Robinson	Walsh, Mass.
Gay	McNary	Sheppard	Walsh, Mont.
Harrison	Nelson	Smith, Ga.	Watson
Henderson	Norris	Smith, Md.	Williams
Johnson, S. Dak.	Nugent	Smoot	
Jones, N. Mex.	Overman	Spencer	

Mr. TRAMMELL. I desire to announce the unavoidable absence of my colleague [Mr. FLETCHER] on account of illness.

The VICE PRESIDENT. Thirty-eight Senators have answered to the roll call. There is not a quorum present. The Secretary will call the names of absentees.

The Secretary called the names of the absent Senators, and Mr. LA FOLLETTE answered to his name when called.

Mr. McCUMBER entered the Chamber and answered to his name.

The VICE PRESIDENT. Forty Senators have answered to the roll call. There is not a quorum present.

Mr. SMOOT. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will execute the order of the Senate.

Mr. KELLOGG and Mr. ASHURST entered the Chamber and answered to their names.

Mr. KING. Mr. President, I think the RECORD should show that Senators GRONNA, KENYON, RANDELL, KENDRICK, WADSWORTH, and FRANCE, and also Senator KEYES, have been engaged for a number of days in the Committee on Agriculture and Forestry investigating the packers and other matters. They are having a hearing this morning, and their absence from the Senate is occasioned by the fact that they are busily engaged in that investigation.

Mr. SMOOT. That is also the case with the Committee on Foreign Relations. I do not see why the Sergeant at Arms can not go to those committees and get the Members to come here in order to make a quorum.

Mr. KING. The Senator from Nebraska [Mr. HITCHCOCK], the Senator from Virginia [Mr. SWANSON], the Senator from California [Mr. PHELAN], the Senator from Arizona [Mr. SMITH], and the Senator from South Carolina [Mr. SMITH] are detained on official business.

Mr. HARRISON. The senior Senator from Kentucky [Mr. BECKHAM], the Senator from Ohio [Mr. POMERENE], the Senator from Rhode Island [Mr. GERRY], the junior Senator from Kentucky [Mr. STANLEY], the Senator from Delaware [Mr. WOLCOTT], and the Senator from Tennessee [Mr. MCKELLAR] are absent on public business.

Mr. KIRBY. I wish to announce the unavoidable absence of the junior Senator from South Carolina [Mr. DIAL] and the junior Senator from Georgia [Mr. HARRIS] on public business.

Mr. WADSWORTH, Mr. RANDELL, Mr. GRONNA, Mr. KENYON, Mr. KENDRICK, Mr. CULBERSON, and Mr. SIMMONS entered the Chamber and answered to their names.

Mr. CURTIS. I wish to announce that the Senator from New Hampshire [Mr. KEYES] is absent by reason of illness.

The VICE PRESIDENT. Forty-nine Senators have answered to the roll call. There is a quorum present.

GEN. JOHN J. PERSHING.

The VICE PRESIDENT. On yesterday the Senate concurred in a resolution of the House of Representatives for the appointment of a joint committee, consisting of five Senators and seven Members of the House, to make arrangements for appropriate exercises on the welcoming of John J. Pershing, general and commander in chief of the American Expeditionary Forces in the World War. Pursuant to that concurrent resolution the Chair appoints on behalf of the Senate the following Members: Mr. WADSWORTH, of New York; Mr. WARREN, of Wyoming; Mr. SPENCER, of Missouri; Mr. CHAMBERLAIN, of Oregon; and Mr. THOMAS, of Colorado.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the concurrent resolution of the Senate extending the time for the report of the joint special committee relative to the contemplated observance of the three hundredth anniversary of the landing of the Pilgrims.

The message also announced that the House had passed the bill (S. 2622) to provide necessary commissioned personnel for the Army until June 30, 1920, with an amendment, in which it requested the concurrence of the Senate.

EDWARD JOHNSON.

Mr. CAPPER, from the Committee on Military Affairs, to which was referred the bill (S. 2469) for the relief of Edward Johnson, reported it with an amendment and submitted a report (No. 164) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 2904) relating to manufactured articles intended for interstate commerce, and for other purposes; to the Committee on Interstate Commerce.

By Mr. GAY:

A bill (S. 2905) for the relief of Joseph A. Prat; to the Committee on Post Offices and Post Roads.

COMMISSIONED PERSONNEL OF THE ARMY.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2622) to provide necessary commissioned personnel for the Army until June 30, 1920.

Mr. WADSWORTH. I move that the Senate disagree to the amendment of the House, and request a conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. WADSWORTH, Mr. SUTHERLAND, and Mr. CHAMBERLAIN conferees on the part of the Senate.

RECESS UNTIL TUESDAY.

Mr. SMOOT. I move that when the Senate takes a recess today it be until 11 o'clock a. m. on Tuesday next.

The motion was agreed to.

LEASING OF OIL LANDS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2775) to promote the mining of coal, phosphate, oil, gas, and sodium on the public domain.

Mr. JONES of New Mexico. Mr. President, during the last few days I have received a number of telegrams from New Mexico which reveal a situation very alarming if the information which the senders of these telegrams give is correct. One from the acting governor of the State, under date of August 27, says:

SANTA FE, N. MEX., August 27, 1919.

Senator A. A. JONES,

United States Senate, Washington:

Oil-leasing bill now before Senate very disastrous to New Mexico, especially section 30. Six thousand of claims approved this year will be void for lack of discovery. Do all in your power to protect our interests here.

BENJ. PANKEY, Acting Governor.

Another telegram from Alamogordo, N. Mex., is as follows:

ALAMOGORDO, N. MEX., August 27, 1919.

Senator A. A. JONES,

Washington, D. C.:

Oil-leasing bill before Senate will result in great loss to people here who have made locations in good faith. Some are drilling and others have spent a large amount getting ready to drill. Suggest that bill be amended to protect all locations made during present year, regardless of discovery.

Bob Woodworth, president; Tom Charles, secretary; W. C. Haynes, F. C. Rolland, J. W. Fetzer, G. F. Rousseau, Jos. Heslep, G. B. Oliver, W. W. Man, R. S. Tipton, T. B. Oliver, A. C. Menger, C. H. Thomson, J. T. Hutchins, A. F. Meneger, L. Ferguson, O. M. Veride, E. H. Menger, F. Feler, Mack Missik, A. Heckes, B. Felder, C. W. Morgan, E. Heckes, A. K. Gore, R. R. Pratt, F. L. Riley, Mose C. Cauthern, J. B. Newell, Fred Kathberger, L. N. Jones, J. H. Hogan, C. E. Mitchell, W. E. Groom, G. V. Clayton, F. Shelton, L. S. O'Neil, Chas. E. Thomas, T. W. Martman, S. J. Redman, W. D. Bryars, T. H. Plumb, W. E. Sarren, H. C. Raedal, Chas. F. Prince, G. A. McGee, Alamogordo Commercial Club.

Another telegram from Silver City, N. Mex., is as follows:

SILVER CITY, N. MEX., August 27, 1919.

Hon. A. A. JONES,

Washington, D. C.:

Please exert your best efforts to have the oil and gas leasing bill which is about to be introduced amended so that its provision will not affect any present oil location upon which discovery has not yet been made in this State, as you know there are a number of oil locations already made upon which discoveries have not yet been made and which undoubtedly will be developed. If bill passes in present form believe it will seriously affect oil development in this State.

W. D. MURRAY,  
F. W. VELLACOTT,  
T. L. LOWE,  
W. C. PORTERFIELD,  
E. M. SAWYER.

From the Deming Chamber of Commerce:

DEMING, N. MEX., August 27, 1919.

Hon. A. A. JONES,

Washington, D. C.:

Use your best influence to have section 36 of mining laws amended; of vital importance to this section.

DEMING CHAMBER OF COMMERCE.

J. A. MAHONEY, President.



Here is one from Hurley, N. Mex., signed by several prominent citizens of that section:

HURLEY, N. MEX., August 27, 1919.

Senator A. A. JONES,  
Washington, D. C.:

Please use your influence against that portion of oil and land bill which might have a tendency to invalidate present locations upon which no discoveries have been made.

HURLEY LAND AND LEASE ASSOCIATION.  
By F. E. MORTON and H. S. BOISE.

A telegram from Roswell, N. Mex., reads as follows:

ROSWELL, N. MEX., August 30, 1919.

Senator A. A. JONES,  
Senate Chamber, Washington, D. C.:

Great injustice will be done the present locators of placer claims in New Mexico who are working in good faith for development if their prior rights as locators under the present law is not recognized under the new oil-leasing law now before Congress. It will throw the bars down to an army of outsiders, oil sharks, who will crowd out the present locators by fair means or foul and cause no end of serious trouble and gun play. Please mail at once copy of the oil-leasing bill.

ROSWELL OIL DEVELOPMENT CO.

Another from Silver City, from the American National Bank:

SILVER CITY, N. MEX., August 27, 1919.

Senator A. A. JONES,  
United States Senate, Washington, D. C.:

Please use your influence against that portion of oil and gas leasing bill which might operate to invalidate present locations upon which discoveries have not yet been made.

AMERICAN NATIONAL BANK.

Another from Albuquerque, from a very prominent attorney there:

ALBUQUERQUE, N. MEX., August 27, 1919.

Hon. A. A. JONES,  
United States Senate, Washington, D. C.:

Hope oil-leasing bill protects present valid locations.

W. C. REID.

One from Socorro, N. Mex., signed by H. O. Busom, George Curry, C. T. Brown, and probably 50 others; most of whom I know personally, and know that they are responsible citizens of that community:

SOCORRO, N. MEX., August 27, 1919.

Senator A. A. JONES,  
United States Senate, Washington, D. C.:

About 500 locators of oil land in Socorro County want change in provision of leasing bill. All location in New Mexico will be void for want of discovery. Section 36 should be amended so as to protect claims located in present year regardless whether discovery has yet been made.

H. O. Busom, Geo. Curry, C. T. Brown, Matt Fowler, M. C. Mechem, Geo. Sickless, Geo. E. Cook, W. B. Bunton, Lee Baldwin, Fred Baldwin, Powell Stickhouse, Jr., B. H. Kinney, J. S. McTavish, C. L. Tallmage, G. E. Senchoze, C. G. Duncan, W. A. Parvis, J. M. Sully, Geo. Keith, C. N. Hilton, S. P. Owens, T. J. Ross, W. J. Eaton, J. E. Tores, C. E. Moffett, Julius Campreda, Fred Nichols, H. G. Sanderson, Robt. Law, John McIntyre, B. A. Pino, A. C. Tores, Malton Tores.

One from Tularosa, N. Mex., from an ex-judge of the State:

TULAROSA, N. MEX., August 28, 1919.

Hon. A. A. JONES,  
United States Senate, Washington, D. C.:

Citizens of New Mexico relying upon present laws have expended, and are about to expend, large sums on oil development especially in Tularosa Basin, which oil-leasing law will affect. They consider they now have vested right and prolonged litigation may develop and retard progress until settled. Suggest law should be amended so as not to affect present rights acquired in good faith.

E. L. MEDLER.

One from Las Cruces, N. Mex.:

LAS CRUCES, N. MEX., August 27, 1919.

A. A. JONES,  
United States Senate, Washington, D. C.:

Provisions of oil-leasing bill in Senate considered inimical to interests of oil locators in New Mexico. If bill passes in present shape oil locations void, want prior discovery. Can not section 36 be amended to protect claims located present year? Can it be amended in conformity to New Mexico statute regulating discovery-placer locations?

W. W. COX.  
H. B. HOLT.

Another from Las Cruces:

LAS CRUCES, N. MEX., August 28, 1919.

Hon. A. A. JONES,  
United States Senate, Washington, D. C.:

Locations of Cox Oil Co. made in good faith this year, thousands expended preparatory to drilling for oil; pending bill should make adequate provision for protection of bona fide explorers initiating rights before its passage; see wire of Wednesday. Kindly wire present status and prospects.

COX-HOLT.

In that connection I will state that in the spring of this year Mr. Cox, who is quite a prominent citizen of that State, a banker and cattleman and prominent generally in business circles, organized a company for the purpose of exploring a section of the country with the expectation of finding oil. He advertised his plan throughout the State. He was perfectly frank about it. He let everybody understand that what money they put into it was simply put in for the purpose of prospecting, for the purpose of drilling a well; that they might get something, and they might not; and he advised all people not to put in any

money which they could not afford to lose; but, of course, nobody wants to lose if it can be avoided. In response to that call the citizens of New Mexico generally subscribed to his stock, and he raised in that way, I think, \$150,000. That money is on hand, and a portion of it has been used in the purchase of machinery and other preparations for drilling. He made locations upon the public domain this year, as I recall, along about March and April of this year. Of course, there has been no discovery of oil up to date, and can not be this year unless a very unusual condition should be found.

There are other telegrams here from other people—one from the State land commissioner, which says:

SANTA FE, N. MEX., August 27, 1919.

Senator ANDRIEUS A. JONES,  
Washington, D. C.:

Section 36 oil-leasing bill should be amended to protect claim located present year regardless of discovery.

N. A. FIELD, Commissioner.

These telegrams are coming in right along.

Now, Mr. President, I want to submit the case to the Senate so that Senators may see whether or not the fears of these people are justified; and if they are justified I feel certain that proper relief will be granted.

Mr. SMOOT. Mr. President, may I say to the Senator that in such a case as cited by him in his remarks I have not any doubt but that they are taken care of under section 36 of the bill. It is short, and I desire to read it at this time.

Mr. JONES of New Mexico. I shall be very glad to have the Senator state his views upon that section at this time.

Mr. SMOOT (reading)—

That the deposits of coal, phosphate, sodium, oil, oil shale, and gas, herein referred to, in lands valuable for such minerals shall be subject to disposition only in the form and manner provided in this act, except as to valid claims existent at date of the passage of this act and thereafter maintained in compliance with the laws under which initiated, which claims may be perfected under such laws.

I wish to say to the Senator that the bills that have been heretofore introduced used the language "except as to valid locations" and that has been changed to "valid claims." That was done as the result of the decision of the United States circuit court, in which the court upheld the Western American Oil Co. in the claims that they had which were contested by the Government of the United States. I am quite sure that under section 36 of the pending bill if the parties referred to by the Senator have complied with the law and have made their locations under existing law and continued to comply with the law, so that up to date they have valid claims, they will not be interfered with in any way.

Mr. JONES of New Mexico. Mr. President, I am very glad the Senator from Utah has made that statement. I think it is due to the committee that the statement should have been made. I will add at this point that it is my understanding that the same construction has been put upon the section by other Senators who are members of the committee.

Mr. SMOOT. There is no question about it.

Mr. LENROOT. Mr. President—

Mr. JONES of New Mexico. I shall be glad to yield to the Senator from Wisconsin.

Mr. LENROOT. I should like to ask the Senator from New Mexico if he has before him the decision of the circuit court of appeals in the case of the Consolidated Oil Co. against the United States, where this matter was gone into fully and decided in favor of the construction given by the committee and by the chairman? I have that decision before me, if the Senator has it not.

Mr. JONES of New Mexico. I have hunted for that decision, but have been unable to find it, and I should be very glad if the Senator from Wisconsin will make a statement regarding it at this time.

Mr. LENROOT. Mr. President, as the Senator will remember in the withdrawal order of September 27, 1909, President Taft made an exception to the withdrawal in these words:

All locations or claims existing and valid on this date may proceed to entry in the usual manner after field investigations and examination.

The Department of Justice, and I think also the Department of the Interior—the Senator was Assistant Secretary of the Interior at that time—had held that the words "locations or claims" necessarily meant completed discovery, and that was really the reason why the Pickett Act was passed, because it was feared that under the exception to the Taft withdrawal men who had complied with the law in all respects up to the time of withdrawal and had thereafter prosecuted their claims with due diligence would not be protected. That, I repeat, was really the reason for the passage of the Pickett Act.

I wish to say that at all times I took the position that the exception in the Taft withdrawal order fully protected every

bona fide claimant and permitted him to proceed upon the withdrawn lands if he proceeded with due diligence to discovery and was entitled to a patent. The matter finally came before the courts in the case of the United States against Consolidated Mutual Oil Co., and the circuit court of appeals rendered the decision from which I now quote, as follows:

It is insisted on behalf of the Government that the exemptions from the effect of the order of the President therein provided for can not be properly held to apply to any land upon which at the time of its promulgation no mineral had been discovered, even though, as in the present cases, the land had been located under and by virtue of the mining laws, its boundaries properly marked on the ground, and the assignees of the locators then in its bona fide actual possession actively engaged in seeking mineral therein.

A discovery of mineral in the ground under such conditions would manifestly have perfected the locations not only against third parties but also against the Government, and would have given to the owner of them an equitable title against the United States, and have entitled the owner to the legal title, upon compliance with the statutory requirements respecting annual assessment work and payments, which rights would have been secure under the provisions of the Constitution of the United States. Such locations upon which discovery had then been made needed no protection through any order of the President.

President Taft, who had himself been a distinguished Federal judge, of course, well knew this, and we think it altogether unreasonable to hold that the words employed by him in his order, "all locations and claims existing and valid on this date may proceed to entry in the usual manner after field investigations and examination," were intended or can be fairly construed to apply to lands upon which discovery had already been made and to which its locators had already acquired an equitable title; but, on the contrary, that they were intended and should be held to apply to all locations and claims existing at the time of the making of the "withdrawal order," to which the locators or claimants had some valid rights.

Mr. KIRBY. Mr. President, I should like to ask the Senator from Wisconsin a question.

The PRESIDING OFFICER (Mr. SUTHERLAND in the chair). Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. LENROOT. I yield.

Mr. KIRBY. Will the pending bill, should it become a law, have the effect to permit people who have already begun the location of a claim to extend their right to 2,560 acres?

Mr. LENROOT. It will not if they have proceeded under the placer-mining law.

Mr. KIRBY. What I mean to ask is, if they have not completed location under the old law, but have already made claims or locations in fact, will the bill have the effect of extending their right to 2,560 acres of land?

Mr. LENROOT. Extend their right in what respect?

Mr. KIRBY. Their right to locate or to develop under the proposed new law?

Mr. LENROOT. No. Under section 19 of this proposed law if a locator was bona fide upon the land at the time of any withdrawal or if he was upon the land under like circumstances on January 1, 1919, he will be given a preference right for a prospecting permit for all the land upon which he has located and nothing more.

Mr. JONES of New Mexico. Mr. President—

Mr. LENROOT. I should like to conclude upon this other matter.

Mr. JONES of New Mexico. Very well.

Mr. LENROOT. The committee in section 36 have used identically the language of President Taft in his withdrawal order, except the word "locations." So if it were possible they have made stronger and more certain the protection of any bona fide claimant under existing mining laws at the date of the passage of this act, so that he may proceed if he will comply with the placer mining to discovery and to full title, irrespective of the provisions of this proposed act.

Mr. SMOOT. Mr. President—

Mr. JONES of New Mexico. I shall be glad to yield to the Senator from Utah.

Mr. ASHURST. I suggest to the Senator from Wisconsin to put into the RECORD the entire opinion which he has just read.

Mr. LENROOT. I have only the excerpt just read.

Mr. SMOOT. Mr. President, in this connection, if the Senator desires to do so, I suggest to him to call to the attention of the parties interested, and those who have sent the telegrams which he has read into the RECORD, the decision in favor of the North American Oil Co. which was sustained by the United States district court of appeals covering the same question.

Mr. JONES of New Mexico. I have the decision rendered by the district court of California in the case of the North American Oil Co., but I have been unable to find any decision in that case by the circuit court of appeals. I will ask the Senator from Wisconsin the date of the decision to which he has referred.

Mr. LENROOT. I have not the date on this memorandum, but it was about a year ago. I should like to say further that since that time, to my personal knowledge, the Department of

Justice has accepted this construction, and I understand the Secretary of the Interior has done likewise.

Mr. JONES of New Mexico. I hope the decisions to which attention has just been called by the Senator from Utah and the Senator from Wisconsin will be accepted without question by all of the courts of the country. I have been aware of the previous rulings by the Department of the Interior, as stated by the Senator from Wisconsin. I feel convinced, however, that the decision of the circuit court of appeals, from which the Senator from Wisconsin has just read, ought to be the law, because the use of the word "claims," to the ordinary mind at any rate, would include anything which had been obtained or any act done under lawful authority. I believe that that should be sufficient; but here are these telegrams expressing all of these fears, and, of course, these people are very much interested in this subject. They want this matter put beyond any possible construction against them. They want to go ahead in the way they thought they had a right to do in the absence of any future legislation.

I desire to make this suggestion to the chairman of the committee and the other members of the committee, that, with this intent to mind, we can do no harm, and certainly will remove fears on the part of these people, if after the word "claims," in the first line on page 33, we insert the words "or possessions," so that it will read: "except as to valid claims or possessions."

Mr. SMOOT. I will say to the Senator we can not accept such an amendment.

Mr. LENROOT. Certainly not.

Mr. SMOOT. That would mean that a man could go on the land, take any number of acres, and be in possession of them—

Mr. LENROOT. He might have a lease for grazing lands and be in possession of them.

Mr. SMOOT. As the Senator from Wisconsin suggests, he might have a lease on grazing land and be in possession of that land. The proposed amendment is too broad; we could not accept it.

Mr. JONES of New Mexico. Then I will make it read "and possessions under the mining law."

Mr. LENROOT. Mr. President, I sincerely hope, in view of the decisions of the courts, that the Senator will not press any amendment which will again throw the construction in doubt and into the courts.

Mr. SMOOT. If we accept an amendment of that character, then the whole question will have to be thrashed out again; it will have to be taken from one court to another, and it will be years before the question is settled. The question as to the wording of this section has been settled now, and I feel sure, I repeat to the Senator, that the parties in whom he is interested will be taken care of under section 36.

I received to-day a letter from the president of the Holbrook (Ariz.) Oil Bureau and Mining District, of Holbrook, Ariz. Mr. Sapp, the president of the company, certainly has not read this bill or he never would have written such a letter. What I am afraid of is that they have not received copies of the bill as reported. They must have received some copy other than the bill we have before the Senate.

Mr. ASHURST. Mr. President, I know Mr. Sapp very well. What is the date, please, of the letter?

Mr. SMOOT. This is dated August 25.

Mr. ASHURST. Mr. Sapp, I suppose, had not received at that time my letter transmitting a copy of the bill. He is an excellent lawyer, and has been superior judge of his county, and when he wrote the letter, I suppose, he did not have a copy of the pending bill.

Mr. SMOOT. Yes; and from the letter I judged that Judge Sapp is entirely against any leasing system.

Mr. ASHURST. No doubt he is.

Mr. SMOOT. And I think that is the basis of the whole complaint.

Mr. ASHURST. I am sure Judge Sapp reflects the sentiment of the local community there.

Mr. SMOOT. Absolutely.

Mr. ASHURST. Will the Senator from New Mexico pardon me a moment?

Mr. KING. Will the Senator from Arizona yield to me?

Mr. ASHURST. I have not the floor.

Mr. KING. Will the Senator from New Mexico yield to me?

Mr. ASHURST. I should like to interject a statement while the matter is timely and before it gets away from me.

Mr. JONES of New Mexico. I yield first to the Senator from Arizona.

Mr. ASHURST. Mr. President, with much respect for the opinion of the Senator from Utah [Mr. SMOOT], who has given this matter careful and intelligent consideration, and with respect for the opinion held by the Senator from Wisconsin



[Mr. LENROOT], I share the view entertained by the Senator from New Mexico [Mr. JONES]. Now, I ask the Senator from Wisconsin [Mr. LENROOT] to remember that in the withdrawal order of President Taft the President used the words "location" and "claim." This bill, as the Senator from New Mexico points out, says "claim." We examined the statute the other evening, and we find that in the original mining law of 1872 the words "location" and "claim," claim of location, are used interchangeably and synonymously; and although I have respect for the opinions of the Senator from Utah and the Senator from Wisconsin, I think nevertheless there is great force in the suggestion of the Senator from New Mexico when we reflect that the statute itself uses the terms "claim" and "location" interchangeably and synonymously, and that President Taft's withdrawal order uses the words "location" and "claim." I do think, with the Senator from New Mexico, that the words "location and claim" should be inserted.

Mr. LENROOT. I have no objection to that.

Mr. SMOOT. I will say to the Senator that I have no objection whatsoever.

Mr. LENROOT. It was only in the nature of removing any possibility of a doubt, a discovery in the past having always been connected with the word "location," that we omitted the word "location"; but if the Senator desires the word "location" I have no objection.

Mr. ASHURST. But the statute uses the term "location." Then in another line it uses the word "claim." It uses the words interchangeably.

Mr. LENROOT. I have no objection to the identical words in President Taft's order.

Mr. ASHURST. I assure the Senator that that is the language.

Mr. SMOOT. That is the language, because it says "all locations or claims existing."

Mr. ASHURST. That is all right.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. JONES of New Mexico. I first have to yield to the Senator from Utah [Mr. KING]. Then I shall be glad to yield to the Senator from Colorado.

Mr. THOMAS. I merely wanted to call attention to another decision; that is all.

Mr. KING. Mr. President, my colleague called attention to a communication received by him from Judge Sidney Sapp, the president of the Holbrook (Ariz.) Oil Bureau and Mining District. I received a communication from him under date of August 25, and I think the whole tenor of his letter is that he is opposed to the leasing system. He states as to the bill before the Senate now:

Vast areas of Arizona are still open to mineral discovery, and the prospector, as in the past, is the hope of the State, and his efforts will, as also in the past, redound to the benefit not of a few capitalists but of the people at large.

Then he further states, referring to the leasing bill:

The passage will throttle development in this State, where 67 per cent of all the taxes are derived from mineral development, and, at best, would place the resources of Arizona at the mercies of monopolies—in all likelihood of foreign ones at that. There is no valid reason why the public domain of the United States should be placed out of reach of the average citizen or why provisions which have served the country well in the past should be altered. The Holbrook (Ariz.) Oil Bureau and Mining District represents approximately 600,000 acres of located land, whereon development for oil has been inaugurated in absolute good faith and excellent prospects for successful exploration. Protest with all of the emphasis possible against the passage of the present bill.

I want to say, if my colleague will permit me, that one view expressed by Judge Sapp I do not quite concur in, namely, that the pending measure would make for monopolistic control of the mineral lands of the United States. I am opposed to the leasing system. I am opposed to this measure, but not for the reason indicated in that part of the sentence of Judge Sapp's letter to which I called attention.

In view of the observations made by the Senator from Arizona, I felt that I ought to present this letter before the Senate.

Mr. SMOOT. Mr. President, the letter I have received is similar to the one my colleague has received. I think Judge Sapp ought to know that if his policy were carried out the locators of oil lands that have been entered in Arizona under existing law would never receive title to them. The President would withdraw those lands before ever title was passed to the locator, just the same as the President, through the department, has done with all such lands in the past. What we are doing in this bill is to pass legislation that will allow the development of those lands, not in the way I would want them developed, nor the way the Senator from Arizona would want them developed, but in the only way we have at our command to see that they are developed, and that is through a leasing system.

Mr. ASHURST. If the Senator will pardon me just for a further observation, I purpose sending Judge Sapp a copy of the Record of to-day's proceedings, and he will be able to see what the views of Senators are. Speaking for myself, I was about to say those from the West, but certainly those of us who are opposed to a leasing bill, realize at last that the only way a private individual, especially a man of limited means, will ever get a pound of coal out of the earth or a gallon of oil out of the public domain will be under a leasing bill, because the departments, acting under the direction of the executive arm of the Government, have overthrown the old mining law, and we are facing the practical situation of passing some leasing bill or allowing the Standard Oil Co. to run riot in the oil market. We have no choice in the matter. The executive arm by its withdrawal, and the courts by their view of the law supporting those executive withdrawals, have forever put it beyond the reach of the man of modest means to secure title to or possession of a coal claim or an oil claim on the public domain. I regret that those withdrawals should have been made, but they have been made and the courts have sustained them. So we are powerless, and the coal and oil of the public domain are out of the reach of poor men unless it be by a leasing system.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I promised to yield to the Senator from Colorado, if he now desires me to do so.

Mr. THOMAS. Mr. President, I think perhaps what I intended to say is not of any particular consequence. My recollection is that in the case of the Del Monte Mining Co. against another mining company whose name escapes me, the Supreme Court of the United States defined the word "location" and the word "claim" as they occur in that part of the mining law relating to lode locations as the equivalent of each other, and I am inclined to think that such has been the uniform drift of decisions where the question was involved; and by analogy I presume the same doctrine would apply to a placer location. If that is correct, then the use of either or of both terms would be sufficient to cover the apprehension which the Senator's constituents have outlined in the telegrams that have just been read into the RECORD.

Mr. JONES of New Mexico. I am very glad the Senator has called attention to the decision in the Del Monte Mining Co. case. That decision is to be found in One hundred and seventy-first United States Reports, page 74, and does lay down specifically the doctrine which the Senator from Colorado has just announced, that the words "claim" and "location" are used interchangeably, as also stated by the Senator from Arizona. This is what my constituents undoubtedly have in mind. Everybody knows that there is no valid location until after there is discovery, and that is the cause of the apprehension of my constituents.

In view of the statements of the Senator from Utah and the Senator from Wisconsin, leading members of the majority of the committee, that they want to protect these people, I submit that there can be no reason why we should not put in here language which will protect them beyond any peradventure. The decision of the circuit court of appeals to which the Senator has referred, I hope, is the law. It ought to be the law, because by the use of the word "claims" here and in the withdrawal order of President Taft I have not the slightest doubt but that it was the intention to protect every bona fide occupant of the public domain who had gone there in pursuance of the laws of the country, seeking to develop the resources of the country. These apprehensions, however, exist. The decision to which the Senator from Wisconsin referred is not the decision of a court of last resort in this country. It is only the decision of the circuit court of appeals. For all I know, that decision may be now on appeal to the Supreme Court. A decision to the contrary may come from some other circuit court and reach the Supreme Court of the United States. But while we all have our minds upon doing the thing, I see no reason in the world why we should have to rely upon the decision of a circuit court of appeals, when we can by the use of language make it perfectly plain and remove all doubt that may be in the mind of anyone; and if we insert, after the word "claims," the words "or possessions under the mining laws," then this exception would read:

Except as to valid claims or possessions under the mining laws existent at date of the passage of this act and thereafter maintained in compliance with the laws under which initiated, which claims may be perfected under such laws.

Mr. LENROOT. Now, will the Senator yield, Mr. President?

Mr. JONES of New Mexico. Yes.

Mr. LENROOT. I am very glad to state to the Senator my objection to that amendment. Under the amendment of the Senator, if a man a year ago made a location in the sense of marking out his boundaries and recording them, and remained



in possession but had done nothing looking toward discovery, the Senator's amendment would protect that locator, and that locator ought not to be protected. Under the language as it stands, in order to receive the protection of section 36 there must have been a location, and up to the time of the passage of this act the locator must have been diligently in pursuit of discovery. He may not have made discovery, but he must have complied with the mining laws up to the date of the passage of this act. If he has not so complied, he is not entitled to the exception.

Mr. JONES of New Mexico. I feel quite sure that the Senator from Wisconsin has not realized as yet the full force of the language which I propose inserting. It would make the exception to the act apply only to valid claims or possessions under the mining laws, and the amendment which I put in would only mean valid possession under the mining laws. I do not believe the case which the Senator from Wisconsin has referred to would come under this provision, because it must be a valid possession under the mining laws.

Mr. SMOOT. I will ask the Senator if it is possible to have a valid claim and not be in possession of the land so located that ripens into that claim?

Mr. JONES of New Mexico. The Senator is undoubtedly right, that possession is only one of the elements of a valid claim; but the word "claim," under the decision which has been referred to by the Senator from Colorado in this Del Monte case, is used interchangeably with the word "location," as the Senator from Utah knows.

Mr. SMOOT. The Senator does not want to put the word "location" in here, does he?

Mr. JONES of New Mexico. I do not, because the Senator from Utah knows that the word "location" has a very definite meaning under the mining laws, and that that presupposes a discovery.

Mr. SMOOT. There is no doubt about that. The Senator is perfectly correct. That is what I said before, and therefore I think it would be very unwise for us to put in here "location or claim"; but it does seem to me that if we put in there "or possessions under the mining laws" it would result in making it possible for anyone, for instance, that may make a location between the passage of this bill in the Senate and the signing of the bill by the President of the United States, if it passes the House, to locate any land wherever he wanted to and in any quantity, under the law, and then be in possession of that and then fall under section 36.

Mr. JONES of New Mexico. The Senator from Utah having stated already that the purpose of the bill as framed would protect anybody who did enter into possession of the public domain under the mining laws up to the time of the passage of the act—

Mr. LENROOT. And had complied with the law up to that time.

Mr. SMOOT. Then he has a valid claim, and that is all he has.

Mr. JONES of New Mexico. He has no valid possession unless he has complied with the law necessary to make that possession valid.

Mr. SMOOT. I do not believe the Senator could find in any statute that has been passed by Congress since the first mining law was passed where the words "in possession under the mining law" are used, and I feel sure if those words are included in the bill it will lead to any amount of litigation.

Mr. JONES of New Mexico. If the Senator really wants to cover the situation and wants to get a word which has been used in the statute, I call his attention to the Pickett Act of 1912, where it says "bona fide occupant." I am willing to use the word "occupant," if the Senator prefers it, so that it will read:

Any valid claim or occupation under the mining law.

If the Senator will yield, I have no doubt, and I do not think the Senator has any doubt, that in view of the decision of the court of appeals, the view of the Department of Justice, the view of the Department of the Interior since that time, used in this connection, a "valid claim" means a claim that up to the time of the passage of this act has been asserted under the mining law, so that if continued to discovery it would entitle the claimant to a patent. If the Senator proposes to use that word and in addition "a bona fide occupant," it must mean that and something else.

I want to say to the Senator very frankly that for years on all such bills, and this has been one of the most troublesome questions, no one has been unwilling to protect a bona fide claimant who has complied with the law in all respects up to the time of withdrawal in a proceeding with which to get a patent, but we have endeavored not to give protection to anybody else, and if we are going to open the door now by any such language as the Senator proposes I wish to say very frankly that instead of

being an advocate of the bill, as I have been from the start, I shall oppose it.

I must confess my inability to get that point of view. The Senator from Wisconsin is perfectly willing to protect the rights of anyone who is on the public domain in pursuance of the placer mining laws and who has not yet made a discovery. It has been decided time and again that the word "location" presupposes a discovery. It has been decided by the United States Supreme Court that the words "location" and "claim" as used in the mining laws are interchangeable. In the withdrawal by President Taft the language "location and claim" was used.

I have not read the full opinion of the circuit court of appeals, but I can see how, by the use of the two words, the court might have concluded that by the use of the word "claim," together with the word "location," something in addition to location was intended. But that decision is not the decision of the court of last resort in this country. I believe the decision is good law, or it ought to be good law, but I have learned in my career that it is very difficult to know absolutely what the court of last resort is going to say is the law. The Supreme Court of the United States may say that that is the law; and in view of other decisions and the former practice of the Department of the Interior, I can see how the Supreme Court might decide otherwise.

Mr. LENROOT. Will the Senator yield right there?

Mr. JONES of New Mexico. With pleasure.

Mr. LENROOT. In the Taft withdrawal, if the Supreme Court decided otherwise it would have to regard the exception as having no meaning whatever. In the present case for the court or the department to give such a construction to section 36 as the Senator thinks might be given to it, would mean that section 36 has no meaning whatever in the law. There would be no possible use in attempting to protect a completed discovery, because such a discovery needs no protection in the law; we could give it no protection. Therefore the only possible construction that can be given to it is the construction given by the circuit court of appeals in the Consolidated Mutual case. And if the Senator will yield further—

Mr. JONES of New Mexico. I am glad to yield to the Senator.

Mr. LENROOT. Under the Senator's amendment, consider this kind of a case: A locator went upon land six months ago in good faith and proceeded for three months in good faith. He still is in good faith, but has not the money to develop and go further, and work has been suspended upon that location for three months. He is still in possession; it has not been withdrawn; no one else has asserted possession. The Senator's amendment would permit that man, when he had no valid claim because of the suspension of work, to begin work and proceed to patent. That is not the theory of the bill.

Mr. JONES of New Mexico. I am not sure that I caught all the Senator said, but clearly under the language which I employ there must be a valid possession under the mining law in order that anyone may get any protection under the amendment which I propose. The Senator states that the language does not mean anything if it is not intended to protect those who have not made a discovery. I will say to the Senator that that view I happen to know is not agreed to by at least one of the very able lawyers in this body. The view has been suggested to me that not only does the language not include claims preceding discovery but that it was intended to include only the claims after discovery, and that the exception was put in for the purpose of enabling parties to go ahead and obtain a patent after the discovery had been made.

Mr. LENROOT. The Senator knows very well that no patent is needed to secure to the discoverer a vested right. It certainly could not have meant that. The circuit court of appeals has said directly the contrary, and I am sure it must appeal to every lawyer that President Taft was not merely in the exception seeking to protect the paper title by a patent when the discoverer had a full equitable title and could exhaust every barrel of oil from the well without ever going again to the United States Government.

Mr. JONES of New Mexico. I suppose it will be impossible to convince the Senator from Wisconsin that there is any necessity for this amendment, but I must confess my inability to see how any objection can arise to the amendment if Senators want to accomplish just the thing which the Senator from Wisconsin says he wants to accomplish.

Sensors can not conceive of anything in the amendment proposed which is not necessary to a valid claim under the existing mining law, and if that be so why not accept this language and put it beyond all doubt? Why leave it open to construction? Why invite litigation?

Mr. WALSH of Montana. Mr. President, will the Senator permit an interruption?



Mr. JONES of New Mexico. I am glad to yield to the Senator from Montana.

Mr. WALSH of Montana. I feel tempted to make a suggestion in this connection. The Senator will recall that section of the mining law which authorizes the issuance of a patent to one who has occupied mining land for a period equal to the local statute of limitations, even though he never makes a location at all. In other words, the statute gives essentially full title to one whose title simply ripens from possession. The word "possession" as used there would embrace, as I take it, something more than the Senator has in mind to take care of, his purpose, as I understand it, being to take care only of those who have actually made a location—that is, marked it out upon the ground as provided by local statute and filed the certificate of location. The other is too vague and obscure a right to undertake to fix here.

As the Senator will recall, he spoke to me about it, and I expressed some considerable doubt as to whether the words "valid claim" used here would not imply that discovery had been made. Indeed, it was my impression in the first place, and I am not sure that it is entirely removed, that that is a proper construction to give it. My view about the matter was very much disturbed when the Senator called my attention to the later provision of the section to this effect:

And thereafter maintained in compliance with the laws under which initiated, which claims may be perfected under such laws.

That would seem to imply that the location was not, as we expressed it, entirely perfect at the time to which the bill refers. But I submit to the Senator that now that the Senator from Utah [Mr. SMOOT], the chairman of the committee in charge of the bill, has expressed his understanding of it, and his view about the matter is supported by the Senator from Wisconsin [Mr. LENROOT], there can be no doubt as to what was the intent of the Senate at least in using this language, and that it was the purpose of the Senate to take care of just such cases as the Senator from New Mexico has in mind, namely, the case of one who has marked out his location upon the ground and complied in all respects with the State statute entitling him to possession of the ground within the limits of the location.

Mr. LENROOT. If the Senator from New Mexico will yield a moment, may I say that this language has been agreed upon by the Interior Department, and that they have given the same construction I have urged. So there is no possible question as to the construction of the Interior Department as to the language.

Mr. JONES of New Mexico. I will state that I had two purposes in view in presenting this matter to the Senate in the way I have done. The first was to get in the bill language which in the mind of anyone would put the case beyond all question; and failing that, to get an expression from the chairman of the committee and various Senators in the body as to the construction for the purpose of getting the effect to which the Senator from Montana [Mr. WALSH] has referred. I think myself that in view of the expressions which have been made here to-day the Interior Department would not be warranted in turning down any person who had made a location in pursuance of the mining laws prior to the passage of this act, and that he would have a right to go ahead and perfect the claim by complying with the laws.

But I must confess that even yet I am not convinced that we ought not to put in some language here. The reference of the Senator from Montana [Mr. WALSH] to the provision of the statute which gives possession for the time covered by the statute of limitations in the State gives, as the Senator has stated, a right to a patent; but if he was in possession of a mining claim under the law of the United States, why should he not then be protected?

Mr. WALSH of Montana. I answered the Senator that it was because, as it seems to me, it is too obscure. That man has not even filed a notice of location. That man perhaps has not even complied with the statute in relation to marking the corners. He has not done anything, except that he is in possession of it, and he is in possession of it for the period of the statute of limitations. But it would give him a right to patent. So I referred to it for the purpose of indicating to the Senator that if the words "valid possession" were put in it would go beyond the case that he desires to take care of.

Mr. JONES of New Mexico. I call the Senator's attention to the fact that that is followed by other words, as the amendment reads, "or possession under the mining law." As I take it, while the possession under the statute of limitations may ripen into a title, it is not possession in pursuance of or under any mining law.

Mr. WALSH of Montana. I do not agree with that, because his only right to patent as a matter of course is derived under

the mining law, and his possession, of course, must be under the mining law in anticipation of eventually securing a patent from the Government before the statute of limitations shall run.

Mr. JONES of New Mexico. Then, to meet the objection of the Senator from Montana, assuming it to be well founded—and I must say that his expression of opinion carries great weight, so far as I am concerned, in the consideration of any legal proposition—we can put in here to cover that point, if the Senator thinks it advisable, the word "placer," so that it will read "or possession under the placer-mining law of the United States."

Mr. WALSH of Montana. That would not change the situation a bit, because this is a common statute, and it says anyone having occupied a mining claim for the period of the statute of limitations shall be entitled to patent, having worked it, of course.

Mr. SMOOT. Mr. President, I wish to say to the Senator from New Mexico that I think the wording of the provision is exactly as it ought to be, and if we put in any other words the locator is going to have trouble; it is going to be carried to the courts, and there will be no telling what the decision will be. I believe it is for the best interest of the men who are trying to develop the oil fields of the West, the men to whom the Senator has referred, to rely upon this provision of the bill just as it is. I hope the Senator will not be too insistent upon a vote of the Senate upon his amendment.

Mr. JONES of New Mexico. Mr. President, I think I have succeeded in accomplishing one purpose. If these people suffer any injury, they are going to put the blame upon the Senator from Utah [Mr. SMOOT], the Senator from Wisconsin [Mr. LENROOT], and the Senator from Montana [Mr. WALSH].

Mr. SMOOT. I will say to the Senator that if they do sustain any injury whatever the Senator from Utah will be one Senator who will help the Senator from New Mexico to pass a remedial act as quickly as possible to take care of those men.

Mr. JONES of New Mexico. Mr. President, with that assurance I will abandon the amendment. I accept the construction of the Senator from Utah, the Senator from Wisconsin, and the Senator from Montana. I feel, of course, that I have put my constituents in very good hands, with the promise of the Senator from Utah that if they get into trouble he will give them remedial legislation.

Mr. SMOOT. As far as I can.

Mr. THOMAS. Mr. President—

Mr. JONES of New Mexico. I yield to the Senator.

Mr. THOMAS. I thought the Senator had yielded the floor.

Mr. JONES of New Mexico. No; I have not yet yielded the floor. There is another amendment which I have to present.

Mr. THOMAS. Will the Senator yield to me for a moment, because I must leave the Chamber?

Mr. JONES of New Mexico. I am very glad to yield to the Senator.

Mr. THOMAS. Mr. President, two days ago in discussing this bill I made some strictures upon former Special Assistant Attorney General Kearful, who writes me a somewhat passionate letter of protest, some features of which are decidedly personal. But I always make allowance for a man who writes or speaks in the heat of passion and prompted by a sense of injury. Mr. Kearful challenges the correctness of some of my statements and says in effect that his only remedy is to call the matter to my attention and insist that what he says upon the subject shall be inserted in the RECORD, since my privilege as a Member of this body is my protection and his inability to otherwise defend himself.

I have never insisted and never shall insist upon the shield of senatorial privilege, Mr. President, nor shall I knowingly abuse it. I have always, therefore, inserted in the RECORD anything that is printable which is sent to me by anyone who feels that I have upon this floor either misrepresented or traduced him. A man who would take advantage of his official position to intentionally or deliberately do either and then fall back upon his privilege does not deserve a seat in the Senate of the United States. I therefore ask that Mr. Kearful be given his day in court by inserting the letter which he has sent me in the RECORD just as I received it, without the change of a word or syllable. And if the extract he makes from my speech is unfounded I shall, of course, retract it.

The PRESIDING OFFICER (Mr. TRAMMELL in the chair). Without objection, the letter will be inserted in the RECORD.

The letter referred to is as follows:

DEPARTMENT OF JUSTICE,  
Washington, August 30, 1919.

HON. CHARLES S. THOMAS,  
United States Senate.

MY DEAR SENATOR: In the Senate on day before yesterday, while S. 2775, known as the oil-leasing bill, was under consideration, you made the following statement (CONG. REC., p. 4449):



"The Attorney General even permitted one of his satellites, an Assistant Attorney General of the United States, before the House committee publicly to impugn the integrity of the Secretary of the Interior and his subordinates by declaring that their opposition to certain sections of that bill was due to the fact that they felt that under its administration by the Interior Department all fraudulent locations and locators of oil claims would be protected and recognized, and by failing to repudiate him the honorable Attorney General acquiesced in that statement, thus placing an imputation upon the official character and good name of one of the most conscientious, upright, and capable Secretaries of the Interior this country ever had; and up to the good hour of Attorney General Gregory's resignation the Department of Justice gave no sign that the man who recorded that infamous slander was not authorized to do so. The present Attorney General has given that gentleman his congé and appointed to succeed him a man who is incapable of such conduct either in office or out of it. That is the sort of treatment this much-needed legislation has received and is receiving."

I am the person to whom you referred as "an Assistant Attorney General of the United States," guilty of an "infamous slander" against the Secretary of the Interior, in which former Attorney General Gregory acquiesced. There is no truth in any part of the statement; but that which most concerns me is your assertion that, because of the aforesaid misconduct of the Assistant Attorney General, "the present Attorney General has given that gentleman his congé."

If I knew a more expressive foreign word to disguise the short and ugly English one which properly characterizes that assertion I should want to use it here. In your own elegant and parliamentary English it was at least an "infamous slander." It was more than infamous; it was pusillanimous. When you stated to the Senate as a fact that I had been unceremoniously discharged by Attorney General Palmer for misconduct in the office of Assistant Attorney General, you stated, under the protection of senatorial immunity, what you must have known to be unqualifiedly false if you knew anything at all about the fact.

You spoke as if by authority of "the present Attorney General," and those who heard you speak and others who read the RECORD must so understand it, for he is the one and only person whose statement regarding the fact could be authoritative. You did not ask him about it, but evidently accepted as true a miserable rumor from some malignant source. Had you made inquiry of Attorney General Palmer he would have told you, and he will tell you now if you are interested in making a just retraction, that my resignation was wholly voluntary and for private business reasons; that I remained in office at his earnest solicitation for several months; and that after the appointment of my successor I remained for two more months as a special assistant to continue the conduct of these very oil matters of which you complain so much, until my successor could become acquainted with the subject.

You have asserted in the Senate heretofore, on two other occasions and equally without justification, that I slandered the Secretary of the Interior in this same particular. That was a year ago. (See 56 CONG. REC., pt. 10, p. 10486; pt. 11, p. 10568.) As to that you are not the judge; he had then, and has now, his remedy. Indeed, for a year and a half he has had a choice of remedies. But for the false and unjust record you have made against me I am without a remedy unless it pleases you to afford it. What you recorded to my lasting discredit—contrary to the fact—was spoken on the floor of the Senate, and, as you have probably forgotten, can not lawfully be questioned in any other place. Are you willing to let that record stand?

I am jealous of my record in the Department of Justice. If you would learn something about it, ask any Justice of the Supreme Court, before whom I presented some thirty-odd cases of importance during the past three years; ask any of the men who have been my associates in the department; since you would discredit Mr. Gregory also, ask former Solicitor General Davis or the present Solicitor General; ask any of my adversaries in the Government litigation, among whom are some prominent lawyers in your own home town; if you would have the highest authority on the subject about which you assume in ignorance to speak, ask the President—he knows.

Inasmuch as your discreditable statement in the Senate can not be corrected elsewhere, I must insist that it be corrected there in the terms of this letter.

Very sincerely, yours,

FRANCIS J. KEARFUL,  
Special Assistant Attorney General.

Mr. JONES of New Mexico. Mr. President, I now desire to call attention to another matter which does affect some of my constituents. In seeking some remedy for the evil of which they complain, and assuming the worst, that their locations would not be protected under section 36, I started to find some other way of meeting this situation which would not be to their real financial embarrassment. In considering the matter it occurred to me that whether section 36 means what we have now decided it does mean or not, those people are still entitled to a better provision in the bill regarding the leasing feature than is now provided for in it. What I have to say about people in New Mexico undoubtedly applies to locators in various other Western States.

Under section 19 of this bill any person who prior to the 1st of January of this year has made a location, or, to use the language of the bill—

that any person who, at the time of any withdrawal order, or who on January 1, 1919, was a bona fide occupant or claimant of oil or gas lands not withdrawn from entry—

By the way, I will call the attention of the Senator from Montana [Mr. WALSH] to that language. If the language which I proposed a while ago as an amendment to section 36 would be improper or unwise, then the use of the word "occupant," used on page 18, section 19, should be subject to the same criticism. The language is:

SEC. 19. That any person who, at the time of any withdrawal order, or who on January 1, 1919, was a bona fide occupant or claimant of oil or gas lands not withdrawn from entry, and who had previously performed all acts under then existing laws necessary to valid locations thereof except to make discovery, and upon which discovery had not been made prior to the passage of this act, and who had performed work or expended on or for the benefit of such locations an amount

equal in the aggregate of \$250 for each location if application therefor shall be made within six months from the passage of this act shall be entitled to prospecting permits thereon upon the same terms and conditions as other permits provided for in this act—

Mr. WALSH of Montana. Mr. President—

Mr. JONES of New Mexico. I yield to the Senator from Montana.

Mr. WALSH of Montana. Mr. President, I think the language referred to is not subject to the criticism voiced by the Senator. I think that language is intended to take care of this situation: In a number of the States—and apparently that is the case in the State of New Mexico—the law provides for marking an oil placer location upon the ground and for filing the notice of location. In the State of Wyoming the law provides for a subsequent notice to be filed whenever discovery has been made, and then the two notices complete and perfect the title of the locator.

But in my State there is no such provision. There is the ordinary location certificate notice that recites that a discovery has been made; and no one can make it, without committing perjury, unless he has already made discovery. So there is in my State no provision whatever by which a man can go out upon the public domain and mark an area which he would subsequently claim as his placer claim. He has got to go and conduct his operations upon the ground. He has no claim; he is simply an occupant of the public domain engaged in drilling operations. It was to take care of such cases as that, I think, that the word "occupant" was used as applicable to a man conducting drilling operations in my State as distinguished from a claimant, a man conducting operations, in the State of the Senator from New Mexico.

If the Senator will pardon me, I have before me the statute to which I called his attention a moment ago, and, with his permission, I will ask to read a portion of it. It is section 2332 of the Revised Statutes, and reads as follows:

Where such person or association, they and their grantors—

That is, the parties applying for patent—

have held and worked their claims for a period equal to the time prescribed by the statute of limitations for mining claims of the State or Territory where the same may be situated, evidence of such possession and working of the claims for such period shall be sufficient to establish a right to a patent thereto under this chapter, in the absence of any adverse claim.

So the Senator will observe that it is not even necessary to have a notice on record or anything else. All the locator has to prove is that he has been in possession of the claim for the period of the statute of limitations.

I refer to this for the purpose of showing that the possession of mining ground is recognized in the mining act as a foundation for a right to a patent just as well as is a location perfected in accordance with the laws of the local jurisdiction.

Mr. JONES of New Mexico. I am sure this discussion is enlightening, but—

Mr. LENROOT. Mr. President—

Mr. JONES of New Mexico. I yield.

Mr. LENROOT. There is a further reason in addition to that suggested by the Senator from Montana [Mr. WALSH] for this provision. It relates, I think, wholly to the State of Wyoming. In the case of a great many claims there persons have made what they claim to be a discovery of oil, but the Department of the Interior, as the Senator well knows, has held in many such cases that it was not a sufficient discovery because not in commercial quantities. The locators have acted in good faith; they are in possession; but nothing has been done since the drilling of what is called the "validity well" except to keep up the assessment work. The purpose of this provision was, in part, so long as we are going to give prospecting permits, to give the preference to such an occupant, who had actually expended as much as \$250 upon the claim although he might not have any valid claim, because in law there was not a sufficient discovery and nothing had been done for a considerable period of time prior to the passage of this bill that would enable him to maintain it as a valid claim.

Mr. JONES of New Mexico. Since we have adverted to the other provisions, I want to state to the Senator that there has just been handed me this suggestion with regard to section 36, that at the end of the section we add the words "by discovery or otherwise." I believe that this suggestion coming at this time will be accepted by everybody. It can not affect any point which any Senator has suggested.

Mr. LENROOT. There is only one way to perfect a claim and that is by discovery. You can not, therefore, say "otherwise."

Mr. JONES of New Mexico. Why can we not say so?

Mr. SMOOT. A claim can only be perfected by discovery. The suggestion is to insert the words "or otherwise." What does "or otherwise" mean? Who can say what "otherwise" means?

Mr. JONES of New Mexico. It must be done under the law.



Mr. LENROOT. But if the Senator says "may be perfected under such laws by discovery or otherwise," what does that mean?

Mr. WALSH of Montana. I do not see any objection to the suggestion of the Senator from New Mexico.

Mr. SMOOT. I do not see any objection as to the word "discovery," but does not the Senator see any objection to the use of the words "or otherwise"?

Mr. WALSH of Montana. Yes; but the Senator from New Mexico is seeking particularly to have the words "by discovery" inserted.

Mr. SMOOT. I have no objection to the first part of the amendment, inserting the words "by discovery," because that is the only way a claim can be perfected.

Mr. WALSH of Montana. Then, let the words "by discovery" be inserted.

Mr. SMOOT. Very well.

Mr. JONES of New Mexico. Of course, I should like to have the amendment inserting the words "by discovery" accepted alone if I can not get the other; but I can imagine that there are many claims in connection with which annual assessment work has got to be done, and that sort of thing and other laws complied with besides the requirement as to discovery.

Mr. SMOOT. We provide for that in section 36, where the Senator wishes to add the suggested amendment to the provision at the end of the bill so as to make it read:

Existing at date of the passage of this act and thereafter maintained in compliance with the laws under which initiated, which claims may be perfected under such laws by discovery.

Mr. JONES of New Mexico. Suppose we use the words "including discovery."

Mr. SMOOT. Very well; if the Senator desires to insert the words "including discovery" I shall offer no objection.

Mr. WALSH of Montana. Mr. President, I was going to say to Senators that to my mind discovery does not necessarily perfect the claim, because the claimant would not be entitled to a patent unless he had performed \$500 worth of work, and in a just sense his claim would not be protected.

Mr. SMOOT. The words "under such laws" cover everything—the \$500 worth of work, discovery, and everything else.

Mr. WALSH of Montana. But the words "including discovery," now proposed, it seems to me, will make it plain.

Mr. SMOOT. I have no objection to those words going in the bill.

Mr. JONES of New Mexico. Then I move, at the end of line 3, on page 33, that the period be stricken out and the words "including discovery" be added.

The PRESIDING OFFICER. Does not the Senator desire a comma after the words "such laws"?

Mr. JONES of New Mexico. Yes.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 33, line 3, after the words "perfected under such laws," it is proposed to insert a comma and the words "including discovery."

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I wish to say that I thank the Senator very much for conceding that amendment. I am sure it will relieve a good many apprehensions which I am satisfied Senators believe have no real foundation, but it is desirable to have everything put beyond any question of doubt.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from New Mexico yield the floor?

Mr. JONES of New Mexico. I wish to call attention to another amendment. I do not desire to take up very much further the time of the Senate in explaining it, but it seems to me that we are granting a privilege here to people who happen to have made locations on the 31st of December, 1918, rather than on the 1st of January of this year. A person who made a location on the 31st of December is given a preference right to a permit, while no such privilege is accorded to the man who made his location on the 1st of January or subsequent to that date. If we are going to permit a locator prior to the 1st of January to have a preference right to a permit, then I do not see why we should not bring that down to date. Certainly no harm can be done, because in order to get an original permit under this bill one only has to go upon the ground and put a stake there, claiming a right or stating that he is going to apply for a permit. That will give him a preference right for 30 days to make his application for a permit. Why, therefore, should people who made such locations prior to the 1st of January have a greater right than those who have made a location since the 1st of January?

Mr. SMOOT. Mr. President, if a person made a location before the 1st day of January, 1919, he will have performed \$250 worth of work. The Senator knows what the practice is through-

out the West with relation to mining claims of various kinds. I have tried to secure the passage by Congress for the last five or six years of an act preventing the location of a mining claim and at the beginning of the next year, no work having been done meanwhile, the relocation by the same person of the same claim. If there were a location on January 1, 1919, and the occupant was a bona fide one at the time, certainly the Senator believes there ought to be expended \$250 upon that claim by the time he gets his permit or by the time of the passage of this act.

Mr. JONES of New Mexico. I wanted to bring the matter to the attention of the Senate and to make the statement I have made regarding it. I do not believe that it is of very much importance, because if the parties have already located the land they can go and put up another stake as soon as this bill passes and comply with the law, and, inasmuch as they are on the ground and have the first opportunity, they will have the first chance, at least, of getting a prospecting permit.

Mr. SMOOT. They have the information now as to where they want to locate as against all the world.

Mr. JONES of New Mexico. Indeed, that is so.

Mr. SMOOT. I hope the Senator will not press the amendment.

Mr. JONES of New Mexico. If the members of the committee feel that the change should not be made, I shall not press the amendment further, because I am anxious that this bill shall pass, and I do not want to consume any further the time of the Senate.

Mr. SMOOT. I thank the Senator.

Mr. JONES of New Mexico. I thank the chairman and other members of the committee for their courtesy during this discussion.

Mr. WALSH of Montana. Mr. President, if the Senator from Utah will permit, I desire to offer an amendment as a separate section to come in at the end of the bill. The justice of it, I think, will appeal to everyone, and probably it will require no discussion.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of the bill it is proposed to add a new section, to be known as section 38, as follows:

SEC. 38. In the case of permits or leases embracing lands—

Mr. SMOOT. I desire to ask the Senator from Montana if it would not be very much better to strike out, after the word "further," in line 13, page 18, down to and including line 7, on page 19, and let the amendment proposed by the Senator from Montana be inserted at the place where the words are stricken out.

Mr. WALSH of Montana. I will say to the Senator that I think that will be an appropriate place for another amendment, which I shall offer when the pending amendment is disposed of.

Mr. SMOOT. I thought the Senator had offered the amendment, copy of which I have in my hand.

Mr. WALSH of Montana. No; this is a different amendment.

The PRESIDING OFFICER. The Secretary will state the amendment proposed by the Senator from Montana.

The SECRETARY. At the end of the bill it is proposed to insert a new section, to be known as section 38, as follows:

SEC. 38. In the case of permits or leases embracing lands entered as agricultural lands or to which patent may have been issued reserving to the United States the oil or other mineral therein provisions shall be made in such permits or leases as the Secretary of the Interior may by rule prescribe, to minimize the damage to any bona fide entryman or patentee or his assigns which may ensue by reason of any operations carried on in prospecting for or extracting or removing oil or other mineral from the premises and for compensation to such entryman or patentee or his assigns for such damage as may be done by such operations.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Montana.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, I offer another amendment, to strike out the last proviso in section 19 and to insert as a separate section the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 18, in section 19, after the word "section," in line 22, strike out all down to and including line 7, on page 19, and insert as a separate section the following:

SEC. —. In the case of lands bona fide entered as agricultural, but not including lands claimed under any railroad grant, the entryman shall be entitled to a preference right to a permit and to a lease as herein provided in case of discovery; and within an area not greater than a township entrymen may combine their holdings not to exceed 2,560 acres for the purpose of making joint application. Leases executed under this section and embracing only lands so entered shall provide for the payment of a royalty of not less than 7½ per cent as to such areas within the permit as may not be included within the discovery lease to which the permittee is entitled under section 14 hereof.

Mr. SMOOT. Mr. President, I hope that amendment will be agreed to.



Mr. LENROOT. I take it for granted that the construction is that as to the lands that are included in the discovery the 5 per cent will apply.

Mr. WALSH of Montana. The 5 per cent portion will apply.

I merely desire to state that the section is intended to take care of the case of lands that have already been entered by homestead entry or other similar entries, not including lands claimed under railroad grant. The express authority is given to the Secretary of the Interior to lease those lands or to issue a permit for the prospecting of those lands, care being taken not to damage the entryman any more than is necessary, as provided in the section just adopted. The homestead entryman is given a preference right under this to the prospecting permit.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Montana.

The amendment was agreed to.

Mr. LA FOLLETTE obtained the floor.

Mr. KENYON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Jones, Wash.	New	Smith, S. C.
Capper	Kellogg	Norris	Smoot
Chamberlain	Kendrick	Nugent	Spencer
Curtis	Kenyon	Page	Sterling
Gay	King	Phelan	Thomas
Gore	La Follette	Reed	Trammell
Harding	Lenroot	Sheppard	Walsh, Mass.
Harrison	Lodge	Shields	Walsh, Mont.
Henderson	McNary	Simmons	Williams
Johnson, S. Dak.	Myers	Smith, Ariz.	
Jones, N. Mex.	Nelson	Smith, Ga.	

Mr. SHEPPARD. The Senator from Georgia [Mr. HARRIS] and the Senator from South Carolina [Mr. DIAL] are detained on public business.

Mr. KING. The senior Senator from Arkansas [Mr. ROBINSON], the Senator from Virginia [Mr. SWANSON], the junior Senator from Arkansas [Mr. KIRBY], and the Senator from North Carolina [Mr. OVERMAN] are detained on official business.

The PRESIDING OFFICER. The roll call discloses only 42 Senators present, not a quorum. The Secretary will call the names of absentees.

The Secretary called the names of the absent Senators, and Mr. McCUMBER and Mr. SUTHERLAND answered to their names when called.

Mr. SMITH of Maryland, Mr. CULBERSON, Mr. KNOX, Mr. BRANDEGEE, Mr. POINDEXTER, Mr. FALL, Mr. MCCORMICK, Mr. RANDELL, Mr. OVERMAN, and Mr. SWANSON entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present.

Mr. LA FOLLETTE resumed the floor in continuation of the speech begun by him on Wednesday. After having spoken for some time,

Mr. LA FOLLETTE. Mr. President, I should like to inquire whether there has been a vote taken in the Senate during the pendency of this bill upon the question of increasing the amount of acreage that any municipality may have under the terms of the bill over and above the amount of 320 acres, named on page 6, section 8, lines 17 and 18, to 2,560 acres?

Mr. SMOOT. I will say to the Senator that there has been no vote taken upon that. The Senator from Massachusetts [Mr. WALSH] offered an amendment, but withdrew it before a vote was taken, after an explanation.

Mr. WALSH of Massachusetts. Mr. President—

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. I do.

Mr. WALSH of Massachusetts. I have the usual difficulty of never being able to hear the Senator from Utah. May I ask him to repeat his answer?

Mr. SMOOT. The Senator from Wisconsin asked whether there had been a vote taken in the Senate—that is, while the bill was in the Committee of the Whole, I suppose he meant—

Mr. LA FOLLETTE. The bill is still in the Committee of the Whole.

Mr. SMOOT. Yes. As to increasing the acreage allowed to municipalities, found in section 8 of the bill, on page 6.

Mr. WALSH of Massachusetts. I heard the Senator's question.

Mr. LA FOLLETTE. Increasing it from 320 acres to 2,560 acres. I do not want to offer an amendment upon any identical proposition upon which there has already been a vote in the Committee of the Whole, of course.

Mr. SMOOT. And I stated to the Senator that the Senator from Massachusetts [Mr. WALSH] had an amendment similar

to that and had offered it, but, upon explanation, he withdrew the amendment, and that there had been no vote taken upon that question in the Senate.

Mr. LENROOT. The amendment was adopted in committee.

Mr. SMOOT. There is no amendment.

Mr. LENROOT. No; this is a new bill—that is right.

Mr. SMOOT. I will say to the Senator that the original bill was 160 acres and the committee made it 320.

Mr. LA FOLLETTE. Then there has been no vote upon that amendment?

Mr. SMOOT. No vote.

Mr. LA FOLLETTE. I simply wanted to be certain about that fact.

At this point in my discussion, Mr. President, I desire to offer an amendment; and if I am offering an amendment that has been voted upon I hope I will be so advised by the Senator from Utah, who, I take it, has kept tab upon all amendments offered.

Mr. SMOOT. Yes; I have.

Mr. LA FOLLETTE. I propose, if there is no amendment pending before the Senate, on page 6, in section 8, in lines 17 and 18, after the figures "320," to insert the following: "And 1,000 acres for a municipality of not less than 100,000 population or more than 150,000 population, and for a municipality of 150,000 population or more the right to acquire 2,560 acres."

Mr. SMOOT. If the Senator from Wisconsin thinks it is proper that that number of acres of coal should be turned over to the municipalities of the West, I am not going to object; but I want to say to the Senator from Wisconsin that the former bills have provided for only 160 acres. That is all that has ever been considered and that has ever been asked by the cities of the West.

The coal is generally located, as the Senator knows, in the mountains. If there are any little towns around nearby that can haul it they would not want more than 25 or 30 acres of coal land; but under the bill it is provided that it shall be given to the city outright, that they shall have the operation of it for their own use, and then under the bill if a city wants to go into the coal business they can take a lease just the same as any other corporation.

Senators from the West thought it would be unfair and unjust to stand here upon the floor of the Senate and ask the Government of the United States to give to little municipalities, for instance, like hundreds in my own State, more than 320 acres. In the past it has been 160 acres, but if the Senator from Wisconsin thinks it is proper that the Government should turn over this number of acres of coal land, or tie it up there to be used by the city alone, I am not going to object and I will accept the amendment as far as I am concerned. However, I do not think it is proper.

Mr. LA FOLLETTE. Let me say upon that one point that I am very desirous that municipalities shall have the opportunity to get an ample supply of coal as nearly at cost as possible for the benefit of the public. I have not been able to have data accessible during the consideration of the bill to determine just what relation a certain acreage should bear to a certain municipal population. When the bill gets into the Senate I may want to change materially the figures of this amendment which I now offer.

Mr. WALSH of Montana. Will the Senator kindly give those figures again?

Mr. LA FOLLETTE. The amendment which I propose would follow after the 320 acres provided in the bill for a municipality, and would permit a municipality with a population of over 100,000 and not more than 150,000 to have 1,000 acres of coal land.

Mr. WALSH of Montana. That was my recollection.

Mr. LA FOLLETTE. And that for municipalities with a population of more than 150,000 there might be the maximum provided for private individuals or corporations here.

Mr. WALSH of Montana. That would reach the cities of Denver, Salt Lake, Seattle, and Portland.

Mr. LA FOLLETTE. I would like to have the acreage proposal of my amendment carefully considered, and, as I say, I may desire to change these figures myself in Committee of the Whole. Perhaps by the time we get into the Senate with this feature of the bill we will all of us have a better perspective of the whole situation.

Mr. WALSH of Montana. I trust the Senator from Wisconsin will understand that the suggestion I addressed to him was not in a critical attitude.

Mr. LA FOLLETTE. I understand that.

Mr. WALSH of Montana. It was for the purpose of bringing out the operation of the amendment. It is perfectly satisfactory to me, and I shall offer no objection to it, but I call the



attention of the Senator to the fact that it affects just four cities, Denver, Salt Lake, Seattle, and Portland.

Mr. LA FOLLETTE. I am very glad to have that noted in the Record, and I think that will lead me to modify the amendment when we get into the Senate or possibly to offer another amendment in committee if the bill at the next session of the Senate should still be before the Committee of the Whole.

Mr. LENROOT. I would like to suggest to my colleague that instead of 1,000 acres he make it 1,280 acres, which would comprise two sections or legal subdivisions.

Mr. LA FOLLETTE. I think that should be done, and perhaps the number of population affected ought to be changed. I adopt the suggestion of my colleague, and it is very likely I shall want to modify this amendment further myself.

Mr. SMOOT. Will the Senator yield to me for just a moment?

Mr. LA FOLLETTE. Certainly.

Mr. SMOOT. I want to help the Senator from Wisconsin if I can in this matter, because I am perfectly willing to accept anything the Senator wants in relation to acreage, after the explanation I make.

I will say to the Senator as far as my State is concerned 320 acres of coal land would be sufficient, and we have enough coal in that State to last the world for 300 years. There is no doubt of that.

Mr. LA FOLLETTE. Yes; and to furnish them cheap coal, if it is not cornered in some way.

Mr. SMOOT. Let us leave that out now. So, if Salt Lake City, the largest city that we have in the State, and either of the cities named by the Senator from Montana—

Mr. LA FOLLETTE. What is the population of Salt Lake?

Mr. SMOOT. Three hundred and forty thousand. If either of these cities filed on 320 acres of coal land, that city could not work it out possibly in 100 years.

Mr. LA FOLLETTE. Let me interrupt the Senator right there.

Mr. SMOOT. I have no objection to the amendment.

Mr. LA FOLLETTE. I know, but let me interrupt the Senator. Does the Senator mean to say that the average 320 acres that might be selected in the vicinity of Salt Lake City would last the population of that city for the period that he has just named?

Mr. SMOOT. I will say that they could take a vein in some of the coal districts in Emery County and in the counties adjacent to Emery and it would last Salt Lake City for that length of time, because of the fact that the vein runs through range after range, not ranges of mountains, but section after section of mountains, and in all that has ever been developed in the past there have been these large veins of coal. I will state to the Senator that they have been working there for fully 30 years now and sending coal to Butte, Mont., and to California, furnishing coal to every city in the State and sending it into Nevada, and it has hardly made a showing.

Mr. LA FOLLETTE. I am sure that it will be wise statesmanship to devote some time to this provision, and provide an ample supply of coal to every municipality.

This morning, while I was off the floor of the Senate, I looked up a bill introduced by the late Senator Teller, of Colorado, upon this subject. It will be remembered that he had a long period of service in the United States Senate and was for several years Secretary of the Interior. I hope to get time to go over his bill and, if possible, to look up any discussion or any observation which he may have made upon it in the Senate. It was my privilege to be associated with Senator Teller upon a committee in my early service in the Senate. He was one of the wisest men who have been in the Senate of the United States in the last generation of time.

Mr. WALSH of Montana. I have a suggestion to make in connection with this matter for the consideration of all the Senators who have given their attention to the question raised by the Senator from Wisconsin. Municipalities may select the land under this provision of the bill anywhere upon the public domain. The city of Seattle may come over into my State—

Mr. LA FOLLETTE. Yes; I understand that.

Mr. WALSH of Montana. Just let me conclude.

Mr. LA FOLLETTE. Of course they would be moved by the consideration of transportation.

Mr. WALSH of Montana. There is no doubt about that.

Mr. LA FOLLETTE. And the cost of mining and all those things that enter into the economies of the cost of production.

Mr. WALSH of Montana. Undoubtedly. We would, of course, be glad to have the city of Seattle or any other municipality come to our State for the purpose of developing the coal lands, but under the provisions of the bill a royalty is paid in commercial operations upon the coal, restricted by the

act not to exceed 20 cents per ton. One half of that, or 45 per cent, goes into the State treasury, and the other goes into the reclamation fund. The Senator will remember that only 10 per cent is reserved for administration purposes. So our State would lose, in that case, the contribution to the reclamation fund and the contribution to the treasury. I submit to the Senator whether, under those circumstances, the selection should not be made within the State in which the municipality is located?

Mr. LA FOLLETTE. I realize that at once as a consideration that ought to be weighed in connection with such an amendment.

Mr. SMOOT. I am perfectly willing, so far as I am concerned, to accept the amendment offered by the Senator from Wisconsin.

Mr. LA FOLLETTE. I do not want to have the amendment accepted with the idea that it embodies mature judgment upon my part in offering it.

Mr. SMOOT. I understand that, Mr. President.

Mr. LA FOLLETTE. I think very likely I shall want to modify it. I have offered it, and I will let it stand as offered for the present.

The PRESIDING OFFICER (Mr. WALSH of Massachusetts in the chair). The Secretary will state the proposed amendment.

The SECRETARY. On page 6, line 18, after the word "acres," it is proposed by the Senator from Wisconsin [Mr. LA FOLLETTE] to insert "1,280 acres for a municipality of not less than 100,000 and not more than 150,000 population, and 2,560 acres for a municipality of 150,000 population or more."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. LENROOT. Mr. President, just a word before the amendment is adopted. I am in favor of it, but I would not wish any implication to rest that the committee has not sought to do full justice to every community that would be affected by the amendment.

The fact is that those representing the West immediately affected have never asked for more than 160 acres, and that has been the amount included in previous bills. It was proposed by the conservation commission that in this bill the amount should be increased to 2,560 acres, but that was not done, for the reason that unless there be classification, and classification was never suggested by anyone, to give every little community 2,560 acres would enable them to tie up perhaps all the valuable coal lands in a given vicinity, and it seemed unfair to give that privilege to a little community where in a thousand years perhaps that community would not have exhausted more than a fraction of the 2,560 acres of coal. But with the classification that is now proposed by my colleague I think it is entirely fair, and I think it should be adopted.

Mr. NUGENT. Mr. President, I merely desire to inquire if the provisions of the bill with reference to corporations are applicable to municipal corporations as well as private corporations, and entitle municipal and private corporations to take equal advantage of the provisions of the bill?

Mr. LENROOT. Yes; I do not think a municipal corporation could file upon this land and simply hold it without doing anything with it for its own use. But if they had 2,560 acres, the largest city might mine only 10,000 tons a year. If that were sufficient for their own needs they would not need to mine any more.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. Just one word. I remember from a very hurried reading this morning of Senator Teller's bill that he provides for townships acquiring certain areas, and then provides for municipalities or incorporated cities acquiring a larger area of coal lands. I am sure that the areas as he had worked them out, however, are for certain populations within the scope of his bill considerably more than 320 acres. I only mention this that it may invite the attention of Senators who may be interested to go into the record of that time with a view to getting all the suggestions available upon this subject.

Mr. NUGENT. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LA FOLLETTE. I yield.

Mr. NUGENT. I suggest this for the consideration of the Senator. It may be that he can reach the object he is seeking to attain in this way: Amend the bill in such manner as to provide that all municipal corporations may make application for leases and secure them on the same terms and conditions as private corporations or individuals on tracts of land not to exceed, say, 50,000 acres, with the further proviso that such



municipal corporations shall have a preference right to leases except as to applications of the discoverer or discoverers of the coal field. By making such blanket provision it would appear to me that it would leave discretion in the Secretary of the Interior to determine the number of acres of land that should be leased to each municipal corporation, and I apprehend that the population of the community would enter into that calculation.

Mr. SMOOT. I will say to the Senator from Idaho that there is no question of discovery as to coal lands. There are 47,700,000 acres of known coal lands which have been withdrawn. It is only a question of the Secretary of the Interior issuing permits.

Mr. NUGENT. I submit, however, Mr. President, that there may be other coal lands that have not yet been discovered.

Mr. SMOOT. Certainly, but I will assure the Senator, if the policy in the future is as it has been in the past, if they are discovered they will be withdrawn. Under the provisions of the bill, entirely outside of section 8, a city may make a lease for 2,560 acres.

Mr. NUGENT. I am well aware of that fact, I will say to the Senator from Utah, but I was suggesting that in order to reach the point the Senator from Wisconsin [Mr. LA FOLLETTE] evidently is endeavoring to arrive at, instead of limiting the acreage there might be a provision to the effect that the acreage should not exceed, say, 50,000 acres, and that a municipality may be granted a lease for any number of acres within that limit that the Secretary of the Interior may deem advisable.

Mr. SMOOT. If the Senator would say 50,000 acres, it would require only a few towns to take up the entire acreage of coal lands in some of the States.

Mr. NUGENT. That is the reason I suggested that the quantity of land should not exceed 50,000 acres, so that it might be only 200 acres or 500 acres or 1,000 acres, as the Secretary of the Interior might determine.

Mr. SMOOT. Mr. President, I can not conceive how a city containing even 1,000,000 people would want 2,560 acres of coal land. I do not think the city of New York would want that much coal land even if it were within two or three hundred miles of the city of New York—and at a greater distance the hauling is quite an expensive item, so that there arises the question of the economical handling of coal. There would be no necessity for that city having 2,560 acres of coal land, because if it were any kind of a coal vein at all, if it were any kind of a coal field whatever, I do not know how many hundreds of years it would take to work it out.

Mr. LA FOLLETTE. Mr. President, the suggestion of the Senator from Idaho [Mr. NUGENT] that municipalities shall undertake the mining of coal under this bill, with a view of making a profit out of it, does not appeal to me. It does seem to me that we ought to be able to get some ratio between the average production of coal per acre in the section of country that is to be affected by this bill and the population of townships and municipalities to be supplied, and that we ought to provide that there shall be opportunity for population, urban and inter-urban—the people residing in townships, in villages, and in cities—to have access to the coal that nature has stored for the use of man without being required to pay a profit to some corporation or some individual fortunate enough to secure a lease upon it through the privileges accorded them by other sections of this bill. Therefore I should like to see a provision wrought out of this bill as to public coal lands that would furnish to every section of the population that may be economically reached such coal as they may need at the naked cost of mining and delivering it for consumption.

Mr. NUGENT. If the Senator please, I should have not the slightest objection to that.

Mr. LA FOLLETTE. I am sure the Senator would not.

Mr. NUGENT. And I call the Senator's attention to the fact that the section of the bill which he is seeking to amend provides in terms that the coal mined by a municipal corporation shall be disposed of without profit.

Mr. LA FOLLETTE. Yes. What I am saying has been elicited by the suggestion, as I understood the Senator, that municipalities should have a right to acquire areas of coal to mine for profit.

Mr. NUGENT. Oh, no.

Mr. LA FOLLETTE. I, doubtless, misunderstood the Senator.

Mr. NUGENT. I merely desire that it may be acquired by them upon the same terms and conditions as are provided in the bill under which private corporations and individuals may acquire the land and mine the coal, but that the acreage shall not be limited to 2,560 acres; in other words, that a municipal corporation shall be entitled to a lease to more than 2,560 acres of land if, in the discretion of the Secretary of the Interior, it

shall be necessary and advisable that it be given the larger amount.

Mr. LA FOLLETTE. I do not see how a municipality would have a very direct interest in prosecuting coal mining operations, excepting to supply the people within the municipality all the coal that they might need for fuel and lighting purposes, and to supply the municipality itself with whatever coal it might need for municipal power purposes and all that. I should like to see this particular legislation worked out with that care which would inaugurate a new era, so to speak, in providing coal at a low cost for at least some of the needy people of the country while we are disposing of coal lands out of which mining companies are certain to make large profits.

Mr. WALSH of Montana. I am very glad that the Senator from Wisconsin has again brought this subject to our attention. Perhaps it was disposed of with undue haste the other day when the amendment was offered by the Senator from Massachusetts [Mr. WALSH]. Another idea has occurred to me which lends support to the suggestion made by the Senator from Wisconsin that the acreage might very properly be increased. I dare say, Mr. President, that that provision of the bill might be utilized by municipalities for the purpose of inducing manufacturers to locate within their limits, where they would be supplied with coal at cost. I dare say that it would have a tendency to build up manufactories in cities that might be able to avail themselves of this provision of the bill. If the Senator will pardon me, I have written out an amendment to express the idea to which I referred a few moments ago. The amendment would follow immediately after that offered by the Senator from Wisconsin which has just been adopted and would read as follows:

The land to be selected within the State wherein the municipal applicant may be located.

I offer that amendment if the Senator has no other amendment he desires to present now.

Mr. LENROOT. Mr. President, a parliamentary inquiry. Has the amendment of the Senator from Wisconsin been adopted?

Mr. LA FOLLETTE. Mr. President, I do not think the amendment has been adopted as yet.

The PRESIDING OFFICER. The amendment of the Senator from Wisconsin has not yet been adopted.

Mr. WALSH of Montana. I understood it had been.

Mr. LA FOLLETTE. Mr. President, the suggestion of the Senator from Montana suggests a broader application of the provisions we are discussing. I can see that in the next decade, or in the next quarter of a century, possibly, every city of any considerable population in this country may develop municipal heating plants. We say that a certain amount of coal is all that is needed for the purposes of a municipality now; but 25 years from now all community cooking, heating, and lighting and other necessary conveniences may be provided by municipalities at cost. We may have a common kitchen for every municipality; we may have a system of heating as well as lighting, under which no individual and no home will be charged with the burden of managing a furnace or a heating plant. All of us know that there is a certain waste in the individual operation of such plants, and in the progress that may be made in the next quarter of a century there may be uses for coal in every little center of population away beyond what we see now in the haste of the hour in passing this legislation.

The amendment suggested by the Senator from Montana with regard to the municipality being limited to the confines of the State in which it is located in its selection of coal land raises this question in my mind: There may be many municipalities within easy reach of coal fields lying just over the line in another State, and if such municipalities are to be restricted to coal fields within the limits of their own State or Commonwealth they might be compelled to transport coal 100, 200, or 300 miles. The public lands belong to all the people of the country, and I do not know whether it would be just and fair to provide such a restriction. It may be that it will be necessary for us to modify some of the other provisions of the bill in connection with this matter in order to do justice to the situation under consideration. I should be very glad to hear the view of the Senator from Montana upon that subject.

Mr. WALSH of Montana. Mr. President, I appreciate that the condition suggested by the Senator from Wisconsin might very easily occur; it might be that, by reason of a State line, a little community would be denied access to a coal mine on the other side of the State line—

Mr. LA FOLLETTE. It might be a great city.

Mr. WALSH of Montana. It might be a great city; but let me submit to the Senator from Wisconsin that one can very readily conceive of a city of 100,000 people on the Wyoming side



of the line, between Montana and Wyoming, in close proximity to a coal bed upon the Montana side. Under the provisions of the Senator's amendment they would get a coal area of 1,280 acres, the coal from which would be constantly withdrawn from our State over onto the other side. It would help to build up that city, increase its assessed valuation, and enable it to have all of the benefits, while the community from which the coal was drawn would have nothing whatever of its own natural resources with which to build up the community upon its side of the line. It could not tax the lands because they belong to the United States. We hope to reach that by the provisions of the bill under which the State gets a part of the royalty derived from the coal; but in this case there would be no royalty and the community from which the resource was drawn would be impoverished to enrich the community upon the other side. It would not be just.

Mr. LA FOLLETTE. I see some force in the suggestion of the Senator, and yet here there is, we will say, a community of 150,000 or 250,000 people. The city is built close to the line of the State. It is a source of benefit as a city, as a distributing point, not only to the people on one side of the State line, but to the people across the line in the other State. Now, suppose you exclude that municipality from having any right to enter upon a coal field that is just over the line in order to take care of the needs of that municipality, and you compel it to go, we will say, 200 miles in another direction and pay transportation charges to railroad companies in order to supply coal to the municipality. That would seem to be very wasteful.

Mr. WALSH of Montana. But, if the Senator from Wisconsin will permit me—

Mr. LA FOLLETTE. Just let me conclude, if you please, on that point, and then I will yield. Suppose you do that, and you reserve, as suggested by the Senator from Montana, this desirable coal area contiguous to the municipality for private enterprise to develop, and a company goes in there, or an individual takes up 2,500 acres, acquires a monopoly of the coal supply of that particular section, and is able to make the people living in that municipality pay excessive charges for coal to supply their needs up to the very limit of long-distance transportation. That would hardly seem to be either fair or wise. Taking this country by and large, and remembering that the public lands belong to the people of this whole country, does it not appeal to the Senator as being a fair proposition that we should work out some plan by which each municipality can be supplied by the near-by deposit of coal?

Mr. WALSH of Montana. I fully agree with the Senator, and it would not be precluded at all from taking this particular tract of land. It would simply escape, under this provision, the payment of the royalty. Under the general provisions of the bill—

Mr. LA FOLLETTE. No, no. I beg the Senator's pardon for interrupting him, but under the plan proposed by the Senator the feature of the bill which we are now considering, if I understood the Senator's amendment, would not apply to this municipality.

Mr. WALSH of Montana. Exactly.

Mr. LA FOLLETTE. And it would not be permitted to take this coal, excepting it paid the royalty to the Government.

Mr. WALSH of Montana. Exactly.

Mr. LA FOLLETTE. Just exactly like a private enterprise going in there to mine for profit.

Mr. WALSH of Montana. Exactly. That is to say, Mr. President, the municipality upon the other side of the line would be obliged, if it desired to take the coal, to take it under the general provisions of the act, just the same as any other one paying the royalty prescribed by the act, which will not be to exceed 20 cents. In other words, we will compel that municipality to contribute a small portion to the public lands of the State from which it takes the coal; that is all. It still has the opportunity. It just simply is obliged to pay the royalty. It is not debarred at all. So that at the most it could only increase the cost of the coal to the consumer 20 cents a ton.

Mr. LA FOLLETTE. By the amount of the royalty which is exacted.

Mr. WALSH of Montana. By the amount of the royalty, and one-half of that royalty would go to the treasury of the State out of which the coal had been taken, because, the land being held by the Government and the title being in the Government, it would not be subject to taxation by the local authorities; and so it contributes its share to the support of the government of the State from which the coal is taken.

Mr. LA FOLLETTE. I think there is force in the proposition which the Senator has now presented. As first stated, I did not understand that the municipality would be permitted to take the

coal under any circumstances. I missed that point in the statement of his amendment.

Mr. WALSH of Montana. No; I would not have the Senator misunderstand me. My amendment does not so provide, but the general provisions of the bill so provide. My amendment touches only the securing of the coal without the payment of royalty.

Mr. LA FOLLETTE. Exactly. It was for that reason that I overlooked the point. I can see that the municipality or the city in question, which we are supposing in the hypothetical case under discussion, would only be required to pay not to exceed 20 cents per ton as a royalty for the coal mined in the contiguous territory over the State line. I can see that that does not impose any very considerable hardship upon any municipality; and I do not at this moment desire, therefore, to interpose any objection to the amendment proposed by the Senator from Montana.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

The amendment was agreed to.

Mr. WALSH of Montana. I now offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

Mr. WALSH of Montana. It comes in after the amendment tendered by the Senator from Wisconsin and now adopted.

The SECRETARY. After the amendment just adopted it is proposed to insert the following:

The land to be selected within the State wherein the municipal applicant may be located.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Montana.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I want to say that I have a discussion that I want to present to the Senate bearing upon sections 18 and 19. I do not desire to do so this afternoon, with 48 hours or more intervening between the time I submit my observations on the subject dealt with in those sections and the time when I shall propose amendments to the sections. Therefore I am taking up other amendments now to fill in the time, because I do not desire to make that argument to-night. I wish to make it approximately near the time when the Senate will vote upon sections 18 and 19, to which the discussion relates. So, Mr. President, in order to occupy the time of the Senate, as the Senator in charge of the bill desires to go on with its consideration—

Mr. HARRISON. Mr. President, will the Senator from Wisconsin yield to me?

Mr. LA FOLLETTE. I will.

Mr. HARRISON. Do I understand the Senator to mean by that that he is taking up the time of the Senate merely to utilize the time until next Tuesday may come?

Mr. LA FOLLETTE. I tried to make myself clear upon that point. I have some observations here and some facts which I desire to lay before the Senate with respect to the amendments which I shall offer to sections 18 and 19, which I conceive to be most important sections of this bill. As it is Saturday afternoon, and we are to adjourn over until next Tuesday, I do not wish to make the argument which I have prepared upon those provisions two or three days before they are to be voted upon. I wish to make it in connection with the sections when they shall come up for the consideration of the Senate. I have some other amendments here with which I can occupy the time of the Senate for the balance of the afternoon, amendments which will have to be considered by the Senate, and so no waste of the Senate's time will be involved in taking up those amendments now. That was my purpose, and that was what I meant when I suggested the consideration of my other amendments.

Mr. HARRISON. I was thinking that if the Senator merely wanted to occupy the time in order to pass away the time until next Tuesday—

Mr. LA FOLLETTE. Oh, no.

Mr. HARRISON. There are some other matters which we might consider to-day.

Mr. LA FOLLETTE. I do not desire to do that. I could fill in the time by general talk upon this subject of conservation if it were merely to do that. I am not occupying the time of Senate in that way, but I thought I could take up some other amendments which I consider less important than those intended to perfect sections 18 and 19.

Mr. HARRISON. I thought the Senator might consent, together with the Senator from Utah, if he merely wanted to kill time—

Mr. LA FOLLETTE. Oh, no.

Mr. HARRISON. That we might take up the bill which is here, which has already passed the House at the urgent request of the President, to amend the food-control act in order that we may get at the profiteers in this country. That bill



would take very little discussion, in my opinion, and we could pass it very quickly. It has been on the calendar now for a week. It has been over three weeks since the President asked us to take action. The House passed it some two weeks ago. It does seem to me that we are fiddling while the profiteers are bleeding the country, and that we ought to do something.

Mr. LA FOLLETTE. So far as I am concerned, Mr. President, I shall be very glad to take it up. I do not think it is the solution of the problem, by any means—

Mr. HARRISON. Well, it might aid.

Mr. LA FOLLETTE. But I am very glad to give my assent to its immediate consideration, and I shall not stand in the way of a motion to that effect, if the Senator desires to make one; and he is at liberty to make it if he is in earnest about this thing. I will yield the floor for that purpose.

Mr. HARRISON. I am very much in earnest.

Mr. LA FOLLETTE. Well, I will yield the floor to the Senator to make his motion.

Mr. HARRISON. Will the Senator from Utah allow us to take it up?

Mr. LA FOLLETTE. It is not necessary for the Senator from Utah to allow the Senator to take it up. The Senator from Utah does not control the matter. I have the floor. I will yield.

Mr. HARRISON. I call up the bill—

Mr. LA FOLLETTE. The Senator can make the motion. He can not call it up except by motion.

Mr. SMOOT. Mr. President, before the Senator does that, allow me to say a word. The Senator from Wisconsin has now yielded the floor.

Mr. HARRISON. The Senator is winking at me, and I do not know just what he means.

Mr. LA FOLLETTE. I mean, if the Senator wants to make a motion, if he is in earnest about taking up this bill, let him proceed. That is what I mean.

Mr. HARRISON. Did the Senator from Utah desire to ask me a question?

Mr. SMOOT. Yes; I did.

Mr. HARRISON. The Senator did want to ask a question?

Mr. SMOOT. I want to say to the Senator from Mississippi that I do not want the oil-leasing bill displaced as the unfinished business, nor do I want to stop its consideration. There are amendments here that the Senator from Wisconsin has in printed form that he intends to offer. If he does not offer them now he will offer them Tuesday or at some other time. They will all be offered. The situation is just as he says—that the two amendments referred to were amendments to sections 17 and 18 of the bill, but the other amendments do not apply to those sections at all; and I want the Senator from Wisconsin to offer those amendments now and let us go right on with the leasing bill.

Mr. HARRISON. Would the Senator consent to our displacing this bill and let us take up the other bill?

Mr. SMOOT. Not if I can help it; no.

Mr. HARRISON. Of course, I occupy a very modest position on the Agricultural Committee, but I told the chairman of that committee that I would notify him whenever we could get up the food-control bill, and he wants to call up that bill, and it is of vital importance. Not only does it carry a penalty and provide a punishment for profiteers in foodstuffs, wearing apparel, and other necessities in this country, but it provides a penalty against these gougers in the District of Columbia, who are exporting from the people unreasonable and exorbitant rates upon houses and apartments; and it seems to me that it is a matter of such urgent necessity that we ought to pass that bill this afternoon.

Mr. SMOOT. As far as I am concerned, I want to say this: During the number of days that this bill has been before the Senate there has not been a single day but that part of the time has been taken up in the discussion of questions entirely foreign to the bill. Last Wednesday the whole day was taken up by a discussion of the league of nations. Not one word was said about the oil-leasing bill and not a reference was made to it. What I want the Senate to do—and I asked the Senate last night to do it to-day—is to consider the pending bill; and I should like to have them stay here at nighttime, as I said last night, to do it. This is Saturday, and, of course, I know that it is hard to keep a quorum here Saturday; but there is a quorum here, and the Senator from Wisconsin is willing now to offer his amendments to the bill, and I ask the Senator from Mississippi to allow him to proceed.

Mr. HARRISON. Of course, I do not want to disarrange the plan. I wish the chairman of the Agricultural Committee were here to call up the measure to which I have referred. I

wish we could get consent to do it, because I do not believe there will be any opposition to this food-control bill. We could pass it quickly, and then go on with this leasing proposition that has been running wild for several days.

Mr. SMOOT. It will lead to discussion. Other bills that are just as important as that are waiting for the passage of this bill. The Senator from South Dakota [Mr. STERLING] has given notice several times that he intends to take up the prohibition bill just as soon as this measure is passed; but the question is entirely in the hands of the Senate as to either this bill or any other bill. The Senate so far has said, however, that this bill should be the unfinished business, and I have kept it before the Senate now ever since it was made the unfinished business. If the Senate really wants to pass this bill, and, if it is not done to-night, will stay here with me Tuesday, when we intend to meet again, I will stay here all night Tuesday night, and all day Wednesday, if necessary, until it is passed. That is the way to pass the legislation.

Mr. HARRISON. I know that the Senator from Utah has been expediting the bill as much as he could; but we have been considering it now for possibly a week or more, four days of which have been taken up by the Senator from Wisconsin.

Mr. SMOOT. I will say to the Senator that the proponents of this bill have not occupied three hours altogether on the bill. Now, let us get down to the amendments, and let us vote upon the amendments, and get through.

Mr. STERLING. Mr. President—

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from South Dakota?

Mr. HARRISON. I yield to the Senator.

Mr. STERLING. I simply wish to say that more than a week ago I gave notice that upon the disposal of the oil-leasing bill I would move the consideration of the prohibition bill. That is a bill of great importance, too; of vital importance at this time. First, it is important because of the need of a law to enforce war-time prohibition; secondly, it is time that a law was enacted to carry into effect prohibition under the constitutional amendment. It is of vast importance, and I shall insist on taking up that bill immediately on the disposition of this bill, and object to the taking up of any other bill.

I want to say that there will be long discussion over the bill mentioned by the Senator from Mississippi. It will not pass, I think, in as short order as the Senator from Mississippi seems to think.

Mr. HARRISON. I will say to the Senator from South Dakota that I realize the importance of the prohibition legislation, and I am very much in favor of it, but the food-control bill, in my opinion, is most urgent and most necessary. It was a matter of such vital importance that when the Congress, controlled by a Republican majority in the House, saw fit to take a recess, and had made its plans for a recess and those plans were accepted by a Republican majority in the Senate, the President called them together and asked them to stay here and not recess. He came to Congress and delivered a message in which he pointed out the high cost of living and the necessity for some speedy action in the matter of amending the food-control act. The Attorney General came before the Senate Committee on Agriculture and Forestry and set forth the weapons that he had with which he could fight the profiteers, and stated specifically the amendments that he desired in order that he might carry on this crusade in the country.

The Senate Committee on Agriculture and Forestry allowed two weeks to pass before it took action, but finally it awoke from its lethargy and reported out the bill favorably. That was over a week ago. The House acted speedily on it. They passed the bill nearly two weeks ago, and the bill that passed the House and the one that is now on the calendar of the Senate are practically the same, except that the latter proposes to take care of the rent profiteers in the District of Columbia.

While the prohibition bill is very important and should be considered immediately, perhaps, the urgency is not there that attaches to the food-control legislation. The country is expecting the United States Senate to act, because the man who to-day works upon a fixed income, with a family to support, can not do it with the profiteers running mad in the country. The responsibility is upon us, not upon the Department of Justice, when we withhold from them the weapons that they ask us to give to them.

While I do not wish to disarrange the plans of the leaders on the other side, I am quite sure any motion I might make to displace consideration of the pending bill and take up the food-control bill would not prevail; yet it does seem to me that the food-control bill should be passed, and should be passed immediately, if we are going to give any relief to the country, and



I plead with the Senators that they at the very earliest moment possible take some action and carry out the recommendations of the department.

Mr. LENROOT. Will not the Senator add to his statement the fact that for nearly two years the President has had and to-day has the fullest power over hoarders of foodstuffs and fuel, over extortionate prices, under stringent penalties, and until three weeks ago neither the President of the United States nor anyone in the administration lifted a finger to prevent it?

Mr. HARRISON. It is very true that there was a food-control law in existence that did provide a penalty for hoarding, but it is not true that the act carried with it any provision that made it possible to go after an individual who was extorting from the people high, exorbitant prices for products that were sold, and it is to cure that defect that the Attorney General has asked us to amend the law. We add a penalty that did not exist before, and we propose to so amend the law that the Department of Justice can indict the individuals who are making exorbitant charges.

I warn each Senator here that the responsibility is upon his shoulder to help the Department of Justice in this crusade at this time to reduce the high cost of living.

Mr. LA FOLLETTE. Mr. President, I yielded to the junior Senator from Mississippi [Mr. HARRISON] in the hope that he would have the courage of his convictions and come to the rescue of the suffering country and especially the District of Columbia, and would offer a motion to take up the bill in question. I said when I yielded that I would yield to him to make that motion. I thought he really wanted to make it, but apparently he wished to enter upon the RECORD here an appealing statement that President Wilson and the Attorney General were all ready to rescue the people of the District and of the country from the profiteers if they could only get a chance to get the legislation through. I am very glad my colleague pointed to that proposition—

Mr. HARRISON. Will the Senator yield?

Mr. LA FOLLETTE. Presently. I should like to complete this statement.

There is abundant legislation upon the statute books, not only recent legislation, not only the legislation enacted in connection with the war, but legislation broader and more far-reaching than that, legislation which the President of the United States specifically was pledged to enforce by his platform and by declarations made again and again in the campaign of 1912, which he has wholly ignored, neglected, and repudiated. Now he comes to the Congress after the people have been gouged by the profiteers for six years of his administration, during which time the cost of living increased hour by hour. Not a month has gone by since Woodrow Wilson was elected President of the United States that the high cost of living did not advance upon the American people, month by month. If one studies the trend of prices long before we got into the war, one will note the constant advance in the cost of living, and no determined prosecution of the trust officials which the Democratic platform and the President in his campaign of 1912 assured the American people would be prosecuted criminally if once he and the Democratic Party were entrusted with the control of the Government.

Now he asks for additional legislation after more than six years of procrastination, while the cost of living advanced so shockingly. It advanced before we went into the war. No one need rise here and say that the President has been occupied with the prosecution of the war, and that that prevented his redeeming the pledges that he made in so many speeches over the country in 1912, and the solemn pledges that were in the Democratic platform. Yet not a hand was raised. Look at the Democratic platform. There is a specific pledge in the platform of 1912, first preceded by a charge that the Republican administration had not prosecuted criminally a single trust official, followed by the statement that the Democratic Party, if empowered by the people with their votes in that campaign, would proceed to the criminal prosecution of trust officials. Not a criminal prosecution, so far as I can recall, and I am pretty sure the record will bear me out in that statement, can be cited. What does it mean?

That was not all. The next specific pledge in that platform was that the burning question—I do not quote the exact language, but that is the meaning—that the burning question before the American people was the increase in the cost of living; that it was due to private monopolistic control of prices, and that if the Democratic Party was intrusted with power it would put an end to private monopoly in the United States. I am going to bring in on the floor here some day that specific language. I thought I had it in my notes here to-day. I can lay it before the Senate in specific terms.

Then there was a third promise that they would destroy all "criminal commercial conspiracies" that increased the cost of living. They had ample power under the law to do it. They arraigned the Republican Party because it had not used the laws on the statute books to achieve that end. It was the indictment, the charge, that the Republican Party ought to be displaced because it had not prosecuted private monopoly. I think the charge was well founded. I agree that the growth of monopolies and trusts and combinations and the steady increase in the cost of living was due, up to the time Woodrow Wilson came in, to a dereliction of duty on the part of two Republican administrations. But what hope is there for the American people when another party comes in and another President, more distinctly and more positively and concretely pledged to free the American people from the bondage, and repudiates the promise made in the platform upon which they were elected?

I say if you study the Democratic platform of 1912, that there never was a clearer-cut issue made than that platform. Nearly all the other subjects, and there were many of them presented in the platform, were passed by and scarcely mentioned. It was the one great question in the presidential campaign of 1912. There never was a campaign in which all other platform pledges were so ignored and the whole contest narrowed to one single issue as was the case in Mr. Wilson's campaign of 1912.

Mr. WALSH of Montana. Mr. President—

Mr. LA FOLLETTE. I yield to the Senator from Montana.

Mr. WALSH of Montana. I was wondering which two of the four Republican administrations since the enactment of the Sherman Act the Senator referred to and why he accused merely the Democratic administration?

Mr. LA FOLLETTE. Because there was not any very active organization of trusts until after 1901. It began in a small way in 1898. There really were not very many trusts in this country until we entered upon the period of reorganization of business between 1901 and 1904.

Mr. WALSH of Montana. That covered three Republican administrations.

Mr. LA FOLLETTE. Yes; but there were very few trusts until after 1901. The highest authority in this country on the organization of combinations limits the number of trusts at the time of the inauguration of President Roosevelt to 149. I stated this on the floor of the Senate yesterday, but the Senator was not here, and I repeat it now. In seven years they increased until there were over 10,000. The best authority on that subject I have been able to find in this country gives those figures, and in his great work on the subject he names them and lists them and sets out their capitalization.

They went on increasing until President Wilson, seizing upon the issue which their growth under Republican administration offered him in 1912, sought the Presidency on that issue. It was the one thing he talked about. The Senator from Montana must remember. I do not think anybody will want to take issue with me on that.

So, Mr. President, I say if the present administration and the present Executive were thoroughly in earnest about freeing the people, and had been since he became the Chief Executive, he would have laid hold of the weapons that were and are at his hand, and have been all the time since he has been President, and would have sought to destroy the great monsters that control in this country. For they have added at least 100 per cent and somewhat more than that, I think, to the cost of living since he has been President of the United States, and a large part of the advance came before we entered the war.

If the Senator from Mississippi would like to have me yield, I yield for a question, or for an interruption, rather.

Mr. HARRISON. Mr. President, I think this bill ought to have been disposed of before now. The Senator has occupied four days in a discussion of it. The Senator from North Dakota [Mr. GRONNA] is the chairman of the Agricultural Committee, and is in charge of the proposed legislation to which I have reference. I had hoped he would be on the floor to call it up. I can not myself take the responsibility of calling the bill up, but just as soon as the leasing bill is out of the way—and the quicker the Senator from Wisconsin stops talking the sooner we shall stop the high cost of living if legislation will do it—we shall try to get the bill up and have it passed.

Mr. LA FOLLETTE. Yes, Mr. President; and the quicker the oil grafters and the coal grabbers will get hold of the public domain under the terms of this bill if it shall be passed without amendment. That is my view of it.

It is true, Mr. President, I have taken some time on this bill for the last three or four days. But it is only the second time I have occupied the attention of the Senate, I think, during the present session. I will compare space in the CONGRESSIONAL RECORD with other Senators on this floor as to the amount of



the public time that I have taken in the discussion of public questions. I am willing to stand on judgment before the American people as to whether I discuss matters that touch the vital issues of government as it affects the life of the American people, or whether I join in filling the RECORD with general conversation on this floor, which occupies the time of the Senate so fully session after session.

I am not responsible to the Senator from Mississippi [Mr. HARRISON], or to any other Senator on this floor, for the time that I consume or the subjects that I discuss.

I can not be charged with a narrow, partisan attitude in public life either here or before I came here. So, Mr. President, if I choose to discuss legislation that affects all that is left of the coal, the oil, phosphate, and sodium lands of the public domain, it is only because I seek to aid in bettering, as best we can, those provisions of the bill which grant leases practically in perpetuity.

I will now take up some of the amendments that I have pending to other sections of the bill.

Mr. President, I introduce, so that they may be printed and lie on the table, two other amendments that I have to offer.

I will read one of these amendments, Mr. President, because I think it will especially interest Senators. This amendment will be offered to be inserted on page 2, line 7, after the word "thereof," by adding the following:

And provided further, That the Government hereby reserves the right at all times, under rules and regulations to be prescribed by the President, to determine, fix, and control the selling price of all products derived from lands leased hereunder, whether in the crude or natural condition or in other merchantable form, which shall be a reasonable price both as to the producer and the consumer; and the reservation of such right shall be expressly stated in each lease.

I think that is an amendment that will commend itself to the good judgment and the patriotism of the Senate. I think it will help to protect the American people from extortionate charges. I think it will be possible for a President who really desires to protect the public to work out some plan by rules and regulations that can be so applied as to control the prices consumers pay for these products. And, Mr. President, I would not be much surprised if it lessened the interest of the lobby that is in attendance here awaiting the enactment of this legislation.

The other amendment to which I have referred I send to the desk and ask to have printed and lie on the table without reading.

The PRESIDING OFFICER. The amendment will be received, printed, and lie on the table.

Mr. LA FOLLETTE. Now, Mr. President, I offer an amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wisconsin will be stated.

The SECRETARY. On page 2, line 24, after the word "that," it is proposed to strike out all of lines 24 and 25, and, on page 3, to strike out all of lines 1 to 10, inclusive, and to insert in lieu thereof the following:

That no common carrier, as defined in the act of February 4, 1887, entitled "An act to regulate commerce and acts amendatory thereof," and no association, any member of which is an officer, agent, or shareholder, or in any manner interested in the business of any common carrier, shall be permitted to hold a license under the provisions of this act.

Mr. LA FOLLETTE. Mr. President, during the discussion of this bill a day or two ago the chairman of the committee stated that under the terms of the bill there was but one railroad company which would be able to acquire any lease upon coal lands, and that that company was the Chicago, Milwaukee & St. Paul Co.

Mr. SMOOT. I said it in this way—

Mr. LA FOLLETTE. It may be I am not correctly stating what the Senator said.

Mr. SMOOT. I said that the real reason why the provision was inserted in the bill originally and was retained in its present form was to take care immediately of the Milwaukee Railroad. I do not know whether the Senator has read the provision as it was originally introduced in Senate bill 1269.

Mr. LA FOLLETTE. I think that was substantially the same form in which it was before the Senate in the conference report.

Mr. SMOOT. It was virtually the same.

Mr. LA FOLLETTE. I tried to make a comparison of the two, and it seemed to me that it was practically the same.

Mr. SMOOT. The committee received a letter from Mr. Gifford Pinchot calling attention to that provision and asking that the original provision be stricken from the bill and the provision which is now in the bill be substituted therefor. This is the reason assigned for such action by Mr. Pinchot:

The reason for the above suggestion is the uncertainty as to the meaning of the definition of "railroad" or "common carrier," and also the uncertainty as to what is meant by "any company or corporation subsidiary or auxiliary thereto, whether directly or indirectly connected with such railroad or common carrier."

That was the wording, I will say to the Senator, of the original provision.

It is evident that if the relief is given fairly and squarely to the common-carrier railroads the full purpose of the act will be accomplished; and if an attempt is made to do more we can not foresee the consequences.

Therefore the committee accepted the provision suggested by Mr. Pinchot, which is the provision the Senator now seeks to amend.

Mr. LA FOLLETTE resumed his speech. After having spoken for over an hour,

Mr. SMOOT. Mr. President, partially to allay the fear expressed by the Senator from Wisconsin and further to protect, if possible, the coal areas of the United States, I am going to suggest to the Senator that I myself think that, perhaps, the provision which was suggested by Mr. Pinchot could be greatly restricted by an amendment which I am going to offer. It is as follows: After the word "line," on page 3, line 6, I propose to insert the words "within the State in which the leased property is situated," so that the provision will read:

And such limitations of use shall be expressed in all permits and leases issued to such companies or corporations, and no such company or corporation shall receive or hold more than one permit or lease for each 200 miles of its railroad line within the State in which the leased property is situated, exclusive—

And so forth.

If that amendment is adopted it will be impossible for a railroad to receive more than one permit for acreage authorized in the section unless it has in the State in which the property is leased 400 miles of line. As there is an amendment pending, I shall not now offer this amendment, but in connection with this provision I desire the Senator from Wisconsin to know that I am going to offer the amendment which I have just stated.

Mr. LA FOLLETTE. That seems to me to be a very great improvement upon the bill as it is now worded. If I understand the amendment proposed, it would not permit any one railroad company to secure more than 2,500 acres of coal land within a single State unless its line within the State covered more than 200 miles?

Mr. LENROOT. Not unless its line covered more than 200 miles within the State. It would not be permitted to compute any mileage outside of the State.

Mr. SMOOT. It could not take into account its mileage within any other State.

Mr. LA FOLLETTE. Suppose the line of the road within the State was more than 200 miles but less than 400 miles, how would that be considered?

Mr. LENROOT. They could secure two leases.

Mr. LA FOLLETTE. Suppose it was less than 400 miles, say 230 miles, could the railroad then secure two leases under the suggested amendment of the Senator?

Mr. SMOOT. The wording is that no railroad shall be allowed "more than one permit or lease for each 200 miles of its railroad line within the State in which the leased property is situated."

Mr. LENROOT. I beg the Senator's pardon; I was wrong. There could be only one lease up to 400 miles of railroad.

Mr. LA FOLLETTE. One lease up to 400 miles.

Mr. SMOOT. There could only be one lease for 399 miles.

Mr. LA FOLLETTE. I think that is something of a concession, and I am very glad the Senator is willing to make it.

Mr. SMOOT. I may say to the Senator that I do not know of a railroad which has a direct line of railroad more than 399 miles in length within the borders of a State.

Mr. LENROOT. I think there may be in the State of Wyoming.

Mr. LA FOLLETTE. Not only in Wyoming but in North Dakota and, perhaps, some other States.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. WALSH of Montana. I should like to understand the purport of the amendment which the Senator from Utah says he will propose.

Mr. SMOOT. If the Senator will take the bill, I will read it again. On page 3, line 6, after the word "line," I propose to insert the words "within the State in which the leased property is situated," so that it will read:

And no such company or corporation shall receive or hold more than one permit or lease for each 200 miles of its railroad line within the State in which the leased property is situated, exclusive of spurs or switches and exclusive of branch lines built to connect the leased coal with the railroad.

Of course, Mr. President, I can not offer that amendment now, inasmuch as there is an amendment already pending.



Mr. LA FOLLETTE. I will withdraw my amendment for the time being, with the permission of the Senate, to give the Senator from Utah the opportunity first to present his amendment. I may wish to renew my amendment in a different form later.

The PRESIDING OFFICER. The Senator from Wisconsin withdraws his amendment. The Senator from Utah offers an amendment, which the Secretary will state.

The SECRETARY. On page 3, line 6, after the words "railroad line," it is proposed to insert "within the State in which the leased property is situated."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. LA FOLLETTE. I now offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Wisconsin offers an amendment, which the Secretary will state.

The SECRETARY. On page 29, line 5, after the word "emergency," it is proposed to insert:

provisions prohibiting the employment of any boy under the age of 16, or the employment of any girl or woman without regard to age in any mine below the surface.

Mr. SMOOT. I gladly accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, as the amendment just adopted might imply that women and girls are employed underground in coal mining in the public-land States, I feel moved to say that no such condition does exist.

Mr. LA FOLLETTE. The Senator is not prepared to give any bond for the future, I presume, with regard to such employment?

Mr. WALSH of Montana. No; I am not. So the amendment is all right.

The PRESIDING OFFICER. Are there any further amendments?

Mr. LA FOLLETTE. Yes, Mr. President; there are several.

RECESS.

Mr. SMOOT. I move that the Senate take a recess, it being, under the order heretofore entered, until 11 o'clock on Tuesday morning.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until Tuesday, September 2, at 11 a. m.

## SENATE.

TUESDAY, September 2, 1919.

(Legislative day of Saturday, August 23, 1919.)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

JOHN D. RYAN.

Mr. MYERS. Mr. President, there is a subcommittee of a House committee which has been investigating acts of the War Department during the war with Germany and much publicity has been given to the activities of this subcommittee. Among other things of which it has made so-called investigation is the aircraft production of the War Department during the war, which for a time was in charge of Hon. John D. Ryan, of Montana, formerly Assistant Secretary of War. Through the instrumentality of this subcommittee wide publicity has been given through the press to some very grave charges against the official conduct of Mr. Ryan while in charge of aircraft production. So far it seems Mr. Ryan has had no opportunity to appear before the subcommittee and give his version of these charges.

Among those charges is one, loosely made and given much publicity, that he caused to be expended \$12,000,000 in the construction of an extension of a railroad, which was done, it is claimed, for the benefit of private interests rather than the public interest. In the *Anaconda* (Mont.) Standard of the 28th ultimo, Mr. Ryan makes a personal statement, over his signature, in regard to these charges, and in that statement he makes a complete refutation of the charge of the misuse of Government funds in the construction of such railroad extension. He shows conclusively that this work was decided upon, the contract for the work was entered into, and the work was ordered done before Mr. Ryan took charge of the aircraft production of the Government, and that he had nothing whatever to do with the contract or the work in question.

I think it was grossly wrong for the subcommittee to give wide publicity to such charges when it could easily have learned, by going to the records, the fact that Mr. Ryan had nothing whatever to do with it, and that it was decided upon, ordered done, contracted for, and entered upon before he took charge of the aircraft-production work of the Government. I think it was a gross outrage for publicity to be given to those charges under those circumstances. There is another matter which is material which is set right in Mr. Ryan's statement. The charge has been made that the construction of this piece of railroad cost \$12,000,000. While Mr. Ryan had nothing to do with it, he shows that the cost was only \$4,000,000.

The statement of Mr. Ryan to which I have referred is brief and concise, and in justice to him I here offer it and ask that it be printed in the RECORD. Mr. Ryan has held a very high, honorable, and responsible position under the Government, that of Assistant Secretary of War, and I think this courtesy is due him. I think he has been greatly wronged and justice should be done him.

The VICE PRESIDENT. Without objection, it will be so ordered.

The matter referred to is as follows:

The following statement from John D. Ryan, formerly Director of the Bureau of Aircraft Production, and later Assistant Secretary of War in charge of the entire air program for the United States, was given out yesterday:

"I am informed that certain Montana publications have printed, as charges made against me, certain inquiries in hearings of a subcommittee of Congress investigating aircraft expenditures by the War Department, alleging that I authorized and directed the building of a railroad in the State of Washington by the Government, that was in effect an extension of the Chicago, Milwaukee & St. Paul Railway, of which I was a director, and that the road so built cost \$12,000,000, and that I was interested in land or timber that it was intended to reach by the building of this railroad.

These charges were answered fully by Secretary Baker at the hearing before the committee in Washington on August 1. His answer was to the effect that the contract for production of spruce with the Siems-Carey Co., to carry out which this line of railroad was built, was entered into by the proper officers of the spruce-production division on the Pacific coast more than a month before I became Director of Aircraft Production, which was on May 20, 1918. Further, that this contract for the production of spruce was entered into between the officers of the spruce-production division and the contractors, with the agreement and understanding that it was to go into effect upon the signing of a contract between the Government and the Chicago, Milwaukee & St. Paul Railway Co. for the building of a certain line of railway which would tap the territory from which this spruce was to be produced. This contract between the Government and the railway company had been negotiated on the Pacific coast and was brought to Washington for execution by the United States Railroad Administration just before the time when I was put in charge of aircraft production. I had no previous knowledge from either the railroad officials or the Government that any such contract was in contemplation. Upon its being brought to my attention I immediately refused to discuss it or have anything to do with it, even in an advisory capacity.

"I referred the whole matter to Secretary Baker, and he testified before the committee that I declined to even advise or confer on the subject, and gave as my reason for it that I was a director of the railway and a member of its executive committee. He called in Mr. Stettinius, who was then Assistant Secretary of War, and in my presence stated that this contract for the building of the railroad had been negotiated, but that the United States Railroad Administration refused to allow the Milwaukee Railway Co. to expend its funds for the construction, the Railroad Administration taking the position that the road was being built not as a railroad enterprise but as a war measure, and that the War Department should furnish the funds for its construction. The Secretary further told Mr. Stettinius that I had stated to him that I was a director of the Milwaukee Railway; that I could and should have nothing to do with the railroad contract, and that Mr. Stettinius should take the matter up and negotiate the contract, which he did. I never saw the contract afterwards. I never signed it. I never directed that anybody else should sign it, and I never had anything to do with the negotiations from the beginning to the end, and Secretary Baker has so testified before the committee. These charges originated in a statement made by the military intelligence officer in a telegram to the War Department dated November 23, 1918.

"My resignations as Assistant Secretary of War and Director of Air Service having just been tendered to the President and Secretary of War, and accepted, were published in the newspapers of the day before. Secretary Baker, upon receipt of this information and at my request, ordered the Inspector General of the Army to have a thorough investigation made and report to him. An officer of the Inspector General's Department was detailed and made such investigation. The Inspector General himself visited the Pacific coast, interviewed witnesses, and checked the investigation of his officer, and reported to the Secretary of War that there was no evidence whatever that would substantiate any of the charges made, and no evidence whatever that myself or any officer of the Government had profited or had tried to profit by any of the operations or expenditures of the spruce-production division that had been investigated, and, further, that instead of the railroad costing the Government \$12,000,000, as charged, it had cost less than one-third of that sum completed.

"This whole matter, both the railroad contract and spruce-production contract, had been agreed upon more than a month before I was appointed Director of Aircraft Production or entered the Government service. I had nothing whatever at any time to do with the railroad contract, and the only thing I had to do with the contract with Siems-Carey-Kerbaugh Co. for the production of spruce was to insist in some respects in which I thought the Government had not been sufficiently protected that certain changes be made to insure protection for the Government. Both the original contract and the one entered into after I insisted upon the changes have been called to the attention of the Inspector General and are open records of the Government for anyone to judge whether my changes were in the interest of the Government or